Canada's Labor Utopia (Page 32)

THE FINANCIAL POST

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The Nation's Business

A Glance Over the Maritimes

Outlaw Strikes Turn U. S. Public Against Lewis

Belgian Premier's Visit to U. S.

Seeks Trade Peace

But Is Opinion Across Line Ready for World Viewpoint?

Stability Marks Maritime Trade

GENERAL business conditions are eminently satisfactory in Canada's Maritime Provinces. In an area notable for its stability, substantially expanding volume is reported by most industries. This expansion, moreover, follows a year which in turn represented a big advance over its predecessor.

Steel production, lumbering, newsprint operations, and general manufacturing have been at a level even with or ahead of 1929. Coal output, shipping and agriculture have all definitely improved. While still handicapped by an extensive programme of road building, the tourist trade, based on early indications, is expected to equal the best record of the last five years.

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FISHING is the one major industry that remains depressed. Deflated currencies and economic and military troubles in Spain and Italy have resulted in the virtual disappearance of former chief outlets for dried fish and have also increased competition and depressed prices in remaining markets. So far efforts to open new avenues have proved only partially successful. The Ottawa agreements and the trade agreement with United States, while materially enlarging the demand for many Maritime products, have so far helped very little in selling fish.

In this issue The Financial Post publishes its annual Maritime Provinces number in which leading industries and current problems of New Brunswick, Nova Scotia and Prince Edward Island are specially reviewed.

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U. S. Public Turns Against Lewis's C.I.O.

THE current wave of outlaw strikes (euphemism for miniature civil wars) in the United States may have a salutary effect. They have demonstrated that John L. Lewis cannot control his followers; that a promise made by the Committee for Industrial Organization is worthless.

Public opinion across the border is veering against labor extremists. Even the tabloid New York Daily News, Liberal and Rooseveltian in its policies, has issued a warning against Communist organizers who are attempting to use the C.I.O. organization for their purposes.

Emotional extremes are traditional in American public opinion. Hysterical mass support for John L. Lewis will not last for long. Mr. Lewis and his lieutenants have overreached themselves and the public is showing increasing distrust of them.

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The World Must Choose Between Peace and War

PREMIER VAN ZEELAND of Belgium is arriving in the United States this week and will spend some time with President Roosevelt. His obvious purpose is to endeavor to link the "Oslo group" of European democracies with the United States in a drive for the removal of the more obstructionist of the current-day obstacles to increased world trade.

His objective is the same as that of United States Secretary of State Cordell S. Hull and of the Empire statesmen gathered in London: to find a better road to the satisfaction of national cravings than the road of war; to map out a trade highway to world peace.

From Mr. Hull he will receive a warm welcome. But from the rank and file of American politicians, press and people, what sort of reception will he receive?

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THIS week several score United States newspapers are publishing a bitter series of articles by the head of the Chemical Foundation, a wealthy, high-tariff propaganda body. They attack Mr. Hull's 16 reciprocity treaties. Just at the time when the Imperial Conference is discussing Washington's proposals for an Anglo-American trade pact and for closer economic liaison between the United States and the British Empire, the articles suggest a new statue to be set up in the National Hall of Infamy: the British lion swallowing the American jackass.

This "no truck or trade with the British" sentiment is popular over almost all the United States west of the Alleghanies.

• • •

THE Chicago Tribune, self-styled "World's Greatest Newspaper," is a powerful and typical exponent of United States isolationism. It seeks to upset the present London-Washington conversations by dragging in the bogey of the war debts. England can afford to pay and ought to be made to pay, says the Tribune in text and cartoon:

"Our biggest debtor is so well off that she is even indulging herself with the luxury of supporting

(Continued on page 2, col. 4)

Bondholders Will Oppose Abitibi Plan

Proposals of Liquidator Follow Lines of Offer by Wood, Gundy

NEW TIMBER PACT

Indications are that the Abitibi bondholders' committee will not favor the plan for reorganization presented this week by the liquidator of the company, Roy Sharvell McPherson, F.C.A., Toronto.

The bondholders' committee's plan of reorganization by judicial sale, which has been on the verge of publication for several weeks, is still under discussion between bondholders and preferred shareholders. It is understood that the chief point of discussions is the proportion of new common stock that should go to bondholders and the proportion for preferred shares.

One of the last obstacles to reorganization is being removed by signature of a new agreement with the Ontario Government on allocation of timber limits.

Nature of New Plan

The McPherson proposals for reorganization of Abitibi take the form of a compromise under the Companies' Creditors Arrangements Act. Under that statute, 75% of bondholders and 75% of unsecured creditors would have to approve the compromise to make it binding.

It is probable that if the bondholders' committee does not approve the McPherson plan that it could command the necessary 25% of adverse votes to defeat the proposals.

The fact that any one class of creditors or shareholders could defeat a compromise under the C.C.A. Act is one of the main reasons that bondholders' representatives consider such a method of reorganization as hazardous.

The McPherson plan follows the lines of the Wood, Gundy & Co. offer for reorganization of Abitibi, but provides more generous treatment for holders of common shares. It would give 11.84% of the initial new common stock to the present common shares, and 88.16% to the preferred, as compared with 6.64% to the common and 93.36% to the preferred under the Wood, Gundy offer.

Details of Proposals

The McPherson plan proposes to create $9 millions of new 4% and 4½% first mortgage serial bonds to be sold to raise additional working capital. Then it proposes issue of new securities in exchange for the present bonds and shares as follows:

For each present $1,000 bond: $600 of new 20-year 5% first mortgage bonds; $700 of convertible second mortgage income bonds; $40 in warrants exchangeable into second mortgage income bonds; plus $1.25 in cash.

For each 7% preferred share: five shares of new common stock.

For each 6% preferred share: 4½ shares of new common.

For each 10 present common shares: 2 shares of new common stock, plus 10 warrants to buy 3 additional shares, at $25 for one share within a year, at $35 for the second share within two years, and at $35 for the third share within three years.

The second mortgage bonds would be convertible into common shares up to Dec. 1, 1957. For the first one third of bonds converted, $1,000 of bonds into 40 common shares, that is at $25 a share. For the next third, $1,000 into 35 shares, or at $28.57 a share. And for the last third, $1,000 for 30 shares, or at $33.33 per share.

Capital Comparison

The present capital and the new capital that would result initially from the McPherson plan compare as follows:

	Present capital	Proposed capital
First mortgage ...	*$48,267,000	$37,960,200
Second mortgage .		35,717,580
7% preferred	†1,000,000	....
6% preferred	‡34,881,800	....
Common stock ..	1,088,117 sh.	1,837,305 sh.

*Plus interest arrears $16,471,114 at Dec. 1, 1937.

†Plus dividend arrears $431,667 at Dec. 1, 1937.

‡Plus dividend arrears $13,836,477 at Dec. 1, 1937.

Canada Paving Paying Claims

Some Hope of Part Payment on First Preferred Shares

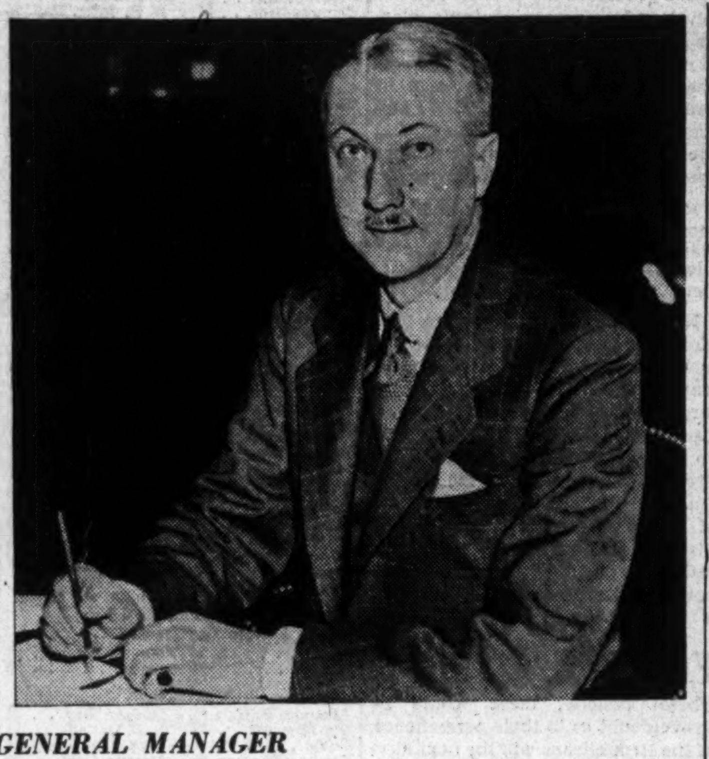
There appear to be grounds for hope of some part payment ultimately to holders of the $1,943,300 of first preferred stock of the bankrupt Canada Paving & Supply Co. That is the impression in the latest report on the liquidation

The new statement shows current assets of $43,101, while claims against the estate by secured creditors are $66,734. Trustees' fees of unstated amount will also take preferred ranking against the estate.

Unrealized assets in the estate are shown at $1,351,412, but the trustee believes there will be very substantial reduction in these values when sales can be effected. The total of unrealized assets is made up as follows:

Unrealized Assets	$
Accts. rec., East Windsor and Town of Riverside	108,839
Supplies and equipment	17,500
Real estate	785,560
Building and improvements	386.291
River Sand Brick Co. machinery	53,222
Total	1,351,412

Under the financial reorganization of Windsor, the trustee is to receive $5,890 cash and $51,627 in new Windsor bonds in settlement of the claim on the city of East Windsor.



GENERAL MANAGER

Robert Rae, appointed general manager of The Dominion Bank on his 47th birthday, and after 31 years in the service of the bank, is a recognized authority on international banking, a moderately good golfer and a fisherman when he gets the opportunity. His career is outlined on page 11.

Hepburn-King Breach Raises Ottawa Fears Of New Third Party

Ontario-Quebec Entente Watched Closely at Capital

(Following is the final article in a series on leadership prospects and future outlook in the federal field of Canada's political parties.)

By POLITICAL OBSERVER

OTTAWA.—Premier Mitchell F. Hepburn's public rupture with the federal Liberal party and his open flirting with Premier Maurice Duplessis of Quebec have not only upset the summer calm of Ottawa, but have set in motion an entire new crop of political predictions.

Just when Hon. James G. Gardiner and the Ontario premier were believed to be getting into position to go places together, Mr. Hepburn bluntly and emphatically severed party relations with his federal leader. Result: a possible Gardiner-Hepburn alliance is forgotten. Mr. Gardiner is too firmly a machine politician to be a party to complete insurgency.

But in the place of the Gardiner-Hepburn alliance has come the Hepburn-Duplessis bonne entente. And with its creation have sprung up federal fears of another third party movement.

After the last election when the hastily organized Stevens Reconstruction Party crashed, when the C. C. F. revealed pitifully waning strength, when Social Credit was a factor in only one province, Ottawa breathed more easily and believed that the day of the third party had passed.

1921 Recalled

And now Ottawa wonders if the menace is not capable of developing into the situation of 1921 when the Progressive party captured in excess of 60 seats and just failed to achieve an actual balance of power.

Mr. Hepburn's significant tribute to Mr. Duplessis was made in the same address in which he broke with Mr. King. The next day a Duplessis minister seized an opportunity to return the compliment in extravagant measure.

From the community of interests which the two premiers have between them, federal circles are able to deduce the broad character of any

(Continued on page 24)

Record is Set By Newsprint

May Returns Well Over 300,000-ton Mark — Exports Up

From Our Own Correspondent

MONTREAL. — Canada's newsprint industry continues to set new records for production and shipments.

According to the News Print Service Bureau, Canadian mills manufactured 309,232 tons of newsprint and shipped 311,883 tons during the past month. This contrasts with 267,067 tons of output and shipments of 286,445 tons for the same month a year ago.

American mills also shared in the improvement, with production last month totalling 79,003 tons and shipments 77,797 tons. For the same month last year output totalled 75,719 tons and shipments 77,062 tons. During May 29,962 tons of newsprint were made in Newfoundland, as compared with 26,915 tons a year ago.

The total North American production for May, 1937, amounted to 418,197 tons. This is the largest first 4 months' total ever reported by the industry and compares with 370,387 tons for the same period of 1936.

The aggregate North American increase in output to the end of May was 287,031 tons, or 16.6%.

Ind. Acceptance On $1.50 Basis

Industrial Acceptance Corp. has placed its class A shares on an annual dividend basis of $1.50 a share with declaration of a dividend of 37½ cents a share, payable June 30 to shareholders of record June 21. The shares were placed on an annual $1 dividend basis earlier this year.

The increase in dividend reflects improvement in the company's business which is understood to have nearly doubled earning power up to the end of May.

Can. Packers Sales Up 14%

Record Earnings Shown; But Plant Extensions Absorb Funds

A considered increase in the annual dividend of $3 a share has been deferred by Canada Packers Ltd., because of the policy of plant expansion to which the company is committed. So states J. Stanley McLean, president of the company, in reporting an increase of earnings to $7.61 a share for the year ended March 25, 1937.

Dividends of $600,000, or $3 a share, are therefore to be distributed in the current year, which runs to March, 1938.

Mr. McLean states that the profit for the 1936-37 year is substantially higher than in any previous year and shareholders may feel in the circumstances that a larger dividend might be justified. He explains that during the past year plant extensions were made at a total cost of $1,067,030. And for the coming year, he says, extensions have been authorized totalling approximately $1,150,000.

In view of the plant expenditures, directors believe it necessary to conserve working capital.

Need For Extensions

Explaining the need for so large a programme of plant expansion, Mr. McLean says:

"The answer lies in the fact that during the nine preceding years . . . net plant expenditures had amounted to only $707,125.

(Continued on page 2, col. 5)

Larger Plan Behind Move Of Can. Hydro

Rebuilding of Gatineau Power Status Is Ultimate Aim

MERGER EXPLAINED

From Our Own Correspondent

MONTREAL.—Canadian Hydro-Electric Corp.'s official memorandum covering its scheme of capital reorganization, whereby the company is to be absorbed by its subsidiary, Gatineau Power Co., only tells part of the story.

Elimination of the holding company in favor of the operating company is but the first step in a larger scheme under which it is hoped eventually to create a simpler capital structure for Gatineau Power. Moreover, it is hoped to create a greater measure of public goodwill through a more widespread distribution of common stock, none of which has been available to the public to date.

The Gatineau enterprise, in its present form, has outstanding first mortgage bonds, debentures, preferred and common stocks. All of the stocks are held by Canadian Hydro, which in turn has outstanding first preferred, second preferred and common. The latter two issues are held in their entirety by International Hydro-Electric System.

Because of the uncertainties created by the cancellation and the remaking of contracts with Ontario Hydro, which takes a large share of Gatineau's output, Gatineau found it necessary to defer dividends on its own capital stocks. This meant that Canadian Hydro could not pay dividends on its preferred stock, which is widely held by the public.

Debentures Are a Problem

The most pressing problem facing Gatineau Power today is its ability to take care of the $14.5 millions of outstanding debentures when they mature in 1941. Though consolidated earnings show a net income sufficient to cover the dividend on Canadian Hydro's first preferred stock, it is not advisable or feasible for the directors to declare payment until the debentures have been refunded.

Thus the management—which is interlocking as far as the two companies are concerned—found itself faced with two obstacles; the inadvisability of letting Gatineau Power pay dividends while uncertainty existed over the company ability to care for maturity of the debentures; and the impossibility of Canadian Hydro paying any dividends as long as its income from Gatineau was cut off.

Take Initial Step

The capital reorganization of Canadian Hydro is the first of a series of steps designed to overcome these obstacles.

As set forth in last week's issue of The Financial Post, the first preferred shareholders of Canadian Hydro are being asked to exchange their 6% stock for a 5% stock in Gatineau Power. The holders will also give up their rights to $12.50 in dividend arrears. In return for the concessions granted—$12.50 of arrears and a reduction of 1% in the coupon rate—the preferred shareholders receive 7½% of the common stock equity, or one share of common for each share of preferred.

The second preferred holders in Canadian Hydro give up their rights, including the right to convert into first preferred stock under certain conditions, in return for 5½ shares of Gatineau common for each share of preferred. The common stock of Canadian Hydro will be exchanged for Gatineau Power common on the basis of one new share for each eight shares held.

Question of Compensation

It has been suggested that the one share of Gatineau Power offered to the first preferred shareholders is not sufficient compensation for dividend arrears and reduction in the coupon rate.

Sources close to the originators of the plan contend that the one share of Gatineau Power common is fair compensation in view of the larger plans which are in mind.

Under present financial market conditions and the present involved financial set-up of Canadian Hydro and Gatineau Power, investment dealers will not underwrite a new

(Continued on page 4)

Highlights

Maritimes Thrive

Something closely akin to a boom is occuring in Maritime industries. Comprehensive programmes under way aiming at maximum development of tourist business, agriculture and commercial fisheries. Current progress of Maritime Provinces reviewed in special supplement.
Pages 17-26

National Catholic Unions

In Quebec, the backing of church and state is enabling the Catholic labor syndicate to gain new power.
Page 13

Working at Trail, B.C.

An example of employer-employee co-operation that really works is found in this town where the main plants of Consolidated Mining & Smelting Co. are located.
Page 32

Collective Bargaining

Canadian Employers endorse this principle, but want to keep direct contact with their employees.
Page 12

Robert Rae

Starting with the Dominion Bank 31 years ago as a junior, this Scottish-Canadian is now its general manager.
Page 11

Who Will Control Gypsum?

Both sides in battle for proxies from shareholders of Gypsum, Lime & Alabastine, Canada, continue to present their arguments.
Page 3

Feeding the Workers

Crawley and McCracken's chief business is feeding the workers on Canada's construction jobs, but they have an important restaurant chain in Toronto and Montreal. F. C. McCracken is head of Canada's biggest catering organization.
Page 15

REGULAR FEATURES

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Canadian-American Now Likely Choice To Conduct Enquiry

Opposition Develops in Cabinet to Selection of British Chairman for Confederation Commission — Lapointe Leads in New Move

By H. NAPIER MOORE
Editor, Maclean's Magazine

LONDON.—Canada's delegation to the Imperial Conference leaves England for its return to Canada, without having settled the knotty problem of a chairman for the Royal Commission on the financial relations of the Dominion and the several provinces.

H. NAPIER MOORE

Unexpected opposition to the appointment of an eminent British economist or jurist—which was the plan of Prime Minister King and Finance Minister Dunning—has arisen within the ranks of the Cabinet. Certain ministers, including Rt. Hon. Ernest Lapointe, Minister of Justice, who speaks for French Canada, are very firmly opposed to the idea of having any Englishman as chairman of the commission.

So determined is the opposition that the original idea of Mr. King and Mr. Dunning, to choose the commission's head while on their visit to London, has had to be abandoned entirely.

Division of Opinion

The difficulty over the selection of the chairman arises to a large extent out of the sharp division of opinion in the cabinet, as to the true function of the Royal Commission. Reference was made to this division of opinion in last week's cables. There are two points of view in the Cabinet.

One group considers the mission of the enquiry to be to probe the financial consequences of Confederation and to outline a fairer division of revenue sources and spending responsibilities between the two major classes of government in Canada. For such a commission a financial economist or fiscal expert would be needed as chairman.

The other group would dig deeper; it desires a constitutional enquiry into the whole question of the modernization of the British North American Act. A constitutional lawyer or jurist would be a suitable chairman for a commission placing the emphasis thus.

Canadian Chairman

On settlement of this dispute, the whole question of the appointment of the commission and the selection of a chairman now hangs.

Inability of the cabinet to agree upon a British chairman suggests the possibility that some prominent Canadian resident in the United States will be selected for the task. There are many such, including constitutional historians such as Prof. James T. Shotwell of Columbia and Prof. W. Y. Elliott of Harvard; and students of governmental finance, such as Prof. Jacob Viner of Chicago. Mr. Lapointe is believed to have mentioned both Dr. Shotwell and Dr. Viner as suitable.

In the event of an ex-Canadian, resident in the United States, being selected as chairman an endeavor will be made by Mr. King and Mr. Dunning to invite at least one Englishman to join the commission as a junior member.

Professor Shotwell is currently in the public eye as one of the prime movers of the conference on Canadian-American Affairs at Kingston, Ont. The conference is the second of such meetings called in connection with the survey of Canadian-American relations sponsored by Dr. Shotwell in his capacity as director of economics and history of the Carnegie Endowment for International Peace. He is promoting and coordinating the researches of 70 Canadian and American educationists into various phases of Canadian-American relations, and the results of the survey are being published in a series of 44 volumes.

A native of Strathroy, Prof. Shotwell has been professor of history since 1908 at Columbia University, New York.

Professor Viner, born in Montreal, is head of the department of economics at the University of Chicago, and has acted as adviser to the United States Tariff Commission and the United States Shipping Board. He is recognized as an authority on east-west economic relationships.

Coste Ousted By Union Gas

Shareholders Asked to Confirm Reduction of Board

Eight of the nine directors of Union Gas Co. of Canada have written a letter to shareholders asking for proxies for the annual meeting on June 29 and for confirmation of a by-law reducing the directorate from nine to eight members. The ninth director, Eugène Coste, who requisitioned the recent special meeting, would be removed from the board.

The eight directors signing the new letter are S. A. Morse, president and general manager of the company; D. A. Coste, brother of Eugène Coste; R. L. O'Brian, D. P. Rogers, W. J. K. Vanston, Arthur F. White, W. L. Duffield and C. M. Kennedy.

The letter states that having received an expression of confidence by vote of shareholders at the recent special meeting, "we now wish to be able to devote all our efforts to the regular business of the company." The eight directors say they feel the best interests of the company will be served by carrying on for the present with eight directors, excluding Eugène Coste. The board has therefore passed a by-law (Eugène Coste voting against it) reducing the board to eight members.

In explanation of the proposal to remove Eugène Coste from the board, the letter states:

"We had hoped that Mr. Eugène Coste would have accepted the vote at the special meeting as indicating that the shareholders did not wish to discuss further the various matters referred to in his letters and which were fully dealt with at the meeting, but did wish that the directors and the management should give their united effort to the company's future."

The special meeting recently held at Toronto resulted in a three to one vote for retention on the board of four directors whom Eugène Coste proposed to remove from office, and is reported on page 14.

Federal Govt. Revenue Rises

Budget Improvement in Two Months Is $30 Millions

From Our Own Correspondent

MONTREAL.—With revenues exceeding expectations, indications are that the deficit of the Dominion Government for the fiscal year ending March 31, 1938, will be even lower than the $35 millions forecast in the last budget by Hon. C. A. Dunning, minister of finance.

In his budget speech Mr. Dunning predicted an increase of $42 millions in ordinary revenues. In the two months ended May 31 ordinary revenue amounted to approximately $130 millions, an increase of $28 millions. Assuming that the present rate of increase continues throughout the year, then the budget forecast should be exceeded easily. It should be noted, however, that March and May are the two months in which the heaviest tax collections are made.

Expenditures Reduced

Not only have revenues increased but total expenditures have been reduced, outlays made during the first two months of the current year being $1.2 millions lower than in the corresponding period of last year. Thus, the total budget improvement is $30.1 millions.

The reduction in expenditures is entirely due to smaller provision for C.N.R. deficits as a result of improvement in the revenues of the railway. Ordinary, capital and special expenditures all show small increases. Relief expenditures for the two months total $4.5 millions, compared with $4.3 millions in the same months of 1936. While outlays on relief works are lower, grants-in-aid to the provinces increased.

Revenues of all kinds continue buoyant, with income tax receipts leading the way. Total income tax collections for the first two months amounted to $76.4 millions, an increase of $16.9 millions. Excise, sales and stamp taxes are in second place with an increase of $7.4 millions.

London Plans For U.S. Pact Split Cabinet

Canadian Delegation Disagree on Sharing British Market

DUNNING OPPOSED

Special Cable to The Financial Post
From Our Own Correspondent

LONDON.—Examination of the précis of the proposed Anglo-American trade agreement revealed to the Canadian delegation at the Imperial Conference the extent of the United States demands for a share of the United Kingdom market, now so largely reserved to Dominions' producers under the Ottawa agreements

One of the major requests made by Washington was for equality of treatment in the United Kingdom market for American lumber and fruit alongside of Canadian lumber and fruit In other words, Washington has asked not that it be given merely a restriction of the preferential entry now enjoyed by Canada, but that the preference on these two major commodities be wiped out entirely.

The Canadian delegation is split on the question of conceding the American request. Canada's Prime Minister is not unfavorable to sharing the British market to a larger extent with the United States. His view is that what Canada needs more than anything else is a world at peace and a world busily engaged in enlarging its volume of trade.

The benefits to a country, situated as Canada is situated, from stimulating international commercial intercourse would far outweigh the immediate loss in any single market, the Prime Minister holds. In this view he has substantial support from some other members of the cabinet.

Dunning Opposed

To the Minister of Finance, Mr. Dunning, who is faced with the practical problem of getting for Canada reasonably satisfactory terms in commercial treaty bargaining, the problem presents greater difficulties. It is understood that he is strongly resisting the proposed concessions to the United States.

In any event, Canada's position is uniquely strong in the present discussions. It has not only concluded a trade treaty with the United States but it is also the only one of the Dominions to negotiate and conclude a new treaty with the United Kingdom, to supplant the Ottawa agreemen of 1932. Before the United States and the United Kingdom can enter into any arrangements which would disturb the existing status of Canadian preferences in Great Britain it will be necessary for those two countries to approach Canada. And Canada will insist upon a suitable quid pro quo.

It is not that Mr. Dunning is opposed to the idea of broader trade horizons for the world. He is quite as aware of the importance of recovery through commerce as anyone. But he insists that if Canada is to divide up its well established British market with the United States then the latter country must grant to Canada substantial tariff cuts on the actual articles which would be adversely affected from Canada's standpoint.

Negotiations Prolonged

As I have indicated in all my previous cables, the situation is one fraught with grave difficulties and the negotiations between the United States and the United Kingdom and the ancillary negotiations with Canada must inevitably be prolonged.

Those who are hopeful of success for the current effort to get trade moving again feel that much good may come out of the conversations of Premier Van Zeeland of Belgium in Washington. Premier Van Zeeland is not just another European making a triumphal tour of the United States to receive degrees and spread continental propaganda. He is thoroughly familiar with the country he is to visit. He was educated there, is one of the two members of his cabinet who claim Princeton University as his alma mater.

Alberta House Passes Budget

Government May Drop Debt Adjustment Bill

Recent steps taken by the Aberhart Government toward the establishment of Social Credit in Alberta appear to have reunited the Social Credit forces for the present at least.

Presentation to the reconvened legislature of the Government's budget, which caused the open split in the party's ranks in March last, saw no evidence of a disrupted party and as a result the budget was passed with a minimum of discussion and without a recorded division.

Indications are that the insurgents have scored a victory on several points. In refusing to vote the Government more than temporary supply last March the group strongly criticized the failure of the Government to take active steps to introduce Social Credit. Since that time a Social Credit Planning Board has been set up and two lieutenants of Major C. H. Douglas, the founder of Social Credit movement, engaged as technical advisers. G. F. Powell is already in Edmonton and L. D.

(Continued on page 2, col. 6)

MEN'S SHOP

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Drew Reports CIO Unwanted In British Isles

Barred by Law and Labor Sentiment, Enquiry Discloses

VISIT ABROAD

Col. George A. Drew, who resigned as Ontario Conservative Organizer over the party's C. I. O. policy, writes the following article to the Globe and Mail from England.

The attempt to create the impression in Ontario that the Committee for Industrial Organization would be tolerated in England is clever but dishonest. Certain press reports that Premier Hepburn's opposition to the C.I.O. aroused criticism in England were pure and unadulterated fiction.

It is proper that England should be used as an example in any argument regarding the rights of labor. Nowhere in the world is labor better organized and nowhere in the world is there a better understanding between employer and employee. The rights of labor are protected by the most comprehensive social legislation yet devised and so also are the rights of employers.

Baldwin's Stand

It has been argued in Ontario that those who answer the threat of the C.I.O. with meaningless platitudes about the well-established rights of employees to organize in any manner they wish, are following the example set by Stanley Baldwin. This argument makes clever use of Mr Baldwin's great reputation, but the comparison is absurd. Stanley Baldwin is today the most popular man in England. His example is one to follow anywhere. But nothing that Stanley Baldwin ever did as Premier or in opposition gives any support to the suggestion that he would have evaded the clear issue which has been raised. Everything that he has done proves the exact opposite. He has always been the friend of labor, but he has always insisted on the obligation of labor to recognize that the welfare of the nation as a whole must be the first consideration of every citizen.

Stanley Baldwin was largely responsible for those laws which would effectively prevent the organization of the C.I.O. in England. No one has been more insistent on the rights of labor to form the union of its choice But it was during the time that he exercised such a dominating influence on the Government of Great Britain that laws were passed requiring the utmost publicity in regard to the financing and operation of unions under a strict system of registration with the Ministry of Labor.

Under the very laws which Baldwin has advocated and strictly enforced, an organization like the C.I.O. would not be permitted to exploit labor and collect substantial revenues without an accounting of any kind. That is a firm of racketeering which would not be endured in England for one day by either employer or employee.

Britain Against C.I.O.

There is another reason why the C.I.O. would not be permitted in Great Britain. Labor here will not submit to foreign interference of any kind. They proved that a few years ago when there was some suggestion that officials of British labor organizations were receiving advice from Moscow. The Conservative Party in Great Britain did not argue then that there should be "complete freedom of choice." They took a firm stand in opposition to any "international" interference with British affairs. And British Labor gave overwhelming support at that time to the Conservative Party.

In the past week I have spoken to scores of employers and members of unions. Without exception they ridiculed the suggestion that there is any sympathy in England with the activities of the C.I.O., Without exception they also expressed astonishment that an organization which appears, from press reports here, to be engaged in a form of civil warfare in the United States, is permitted to organize at all in Canada.

The cabled report of Mr. Hepburn's open breach with Mr. King over the C.I.O. has been given considerable attention by the press. Whatever the effect may be in Canada, Mr. King will receive no comfort in England. The people of Great Britain expect their public men to take a firm stand one way or the other. And there can be no question what the stand would be if there were any suggestion of the C.I.O. organizing here. From conversations I have had in the past few days. I know that Conservatives, Liberals and Labor would unite without hesitation to keep the C.I.O. out of Great Britain.

Annandale Court Apts. Has Operating Profit

Rental revenue of Annandale Court Apartments, Kingston, Ont., was $20,853 in the year ended May 31, 1937. Deduction of operating expenses of $19,806 left an operating profit of $1,047 for the year.

The apartments were 85% occupied at May 31, 1937, and all taxes have been paid to date. Interest payments on the $60,000 first mortgage have also been maintained. Advances from the receiver, which stood at $16,433 at July 1, 1936, had been reduced to $5,248 at the end of May, 1937. This figure for receiver's advances does not include compensation for the London & Western Trusts Co., receiver and manager.

In addition to the $60,000 first mortgage, held by the Equitable Life Insurance Co., at 6½% bond issue of $135,000 is held by the public. No interest has ever been paid on this bond issue.

Normetal Mining Corp. Issues Additional Stock

From Our Own Correspondent

MONTREAL. — Normetal Mining Corp. has issued two lots of treasury stock of 50,000 shares each. The 100,000 shares involved were issued at 75 cents a share under the terms of the underwriting agreement. A balance of 744,362 shares remains to be issued under the agreement, also at 75 cents a share. Of the total authorized capital of 4 million shares, a total of 3,013,118 shares has now been issued.

The Nation's Business

(Continued from page 1)

two kings. Countries which can afford war, great world's fairs, shockingly extravagant coronations, and other shows can pay their honest debts. If ever anything is to be had on these accounts the time to get it is now."

Such is the psychological background against which Mr. Hull must strive to promote commonsense idealism. It is such economic obscurantism in the United States that is going to make it difficult—and perhaps impossible— to really tackle the job of restoring world prosperity by stimulating world trade.

• • •

IN A conversation with one of The Financial Post's editors in Washington, one of the highest ranking spokesmen of the administration said, as quoted in a recent article in our news columns:

> "The supreme post-war crime against the well-being of the common people of the world was the Smoot-Hawley tariff. It represented the culmination of several years of construction of the most absurd and insurmountable tariff wall the world has ever known. That wall was being built in crass ignorance and egregious folly at the very time when the United States, as a contribution to world peace and to its own continuing prosperity, should have been tearing down its tariff walls brick by brick.
>
> "In these years of depression the American people have been paying the price of their economic ignorance, their failure to adjust themselves to the conditions created by the war and to the new responsibilities imposed upon them by the shift in the economic balance of the world as a result of the war."

The three major tariff increases that marked United States post-war fiscal policy took place under a Republican administration. The Democrats came into power committed to this policy:

> "We advocate . . . reciprocal trade agreements with other nations and an international economic conference to restore international trade and facilitate exchange."

• • •

WHEN President Roosevelt took office he invited foreign statesmen to visit him. They came in droves. To each one he gave encouragement, promising trade and exchange policies that would recognize the obligations of the United States as a creditor country. But Mr. Roosevelt soon became involved in his purely domestic crisis; he entangled himself in New Deal experiments that left no opportunity for an international approach to economic problems. Because he had not developed any genuine trade plan, he dynamited the World Conference of 1933 and put off trade and exchange discussions for two years. As Professor of Economics W. W. McLaren, of Williams College, said at the Canadian-American Relations conference at Kingston this week:

> "Deliberate isolationism and the confusion of New Dealism combined to defeat the tariff reduction programme of Secretary Hull and his associates."

Now Mr. Hull is seeking to promote that programme again. He has moved a considerable distance toward working it out, particularly through 16 trade pacts, of which Canada's is one. He is prepared to go much farther. So, apparently, is President Roosevelt. But the administration will not move in advance of public opinion. And the United States is still very much under the influence of the propagandists for economic isolation.

• • •

EVEN if Messrs. Roosevelt and Hull were able to work out more liberal policies, there would be grave doubt as to their permanence. If the Republicans win the next election, they will undo all or most of the work.

In the meantime the world is starving for lack of trade. The menace is very great, for collapse faces Europe. Economic collapse on the continent must inevitably lead to war.

It is a paradoxical situation. The world can today choose between unprecedented economic advance and peace on the one hand, and war-making policies on the other. And yet, because of narrow viewpoints in all countries, no one can foretell what the choice will be.

Fraser Co.'s Sales Better

Maritime Operator Experiences Strong Demand for Products

From Our Own Correspondent

MONTREAL.—Fraser Companies and subsidiaries are this year benefitting from increased demand and a strong tendency toward higher prices for all their products.

The wholly-owned subsidiary, Fraser Paper Ltd., at Madawaska, Maine, is operating at capacity on high-grade sulphite bond, waxing and catalogue papers for the United States market.

The Restigouche Co., another subsidiary, is experiencing a strong demand for its bleached sulphite pulp, used in the manufacture of artificial silk, both in the domestic and export markets.

As already reported by Fraser Companies, income for the first quarter of 1937, before Dominion income tax and subject to adjustment on audit, amounted to $167,841. This exceeded by 46% the total of $115,024 for the full year of 1936, and is more than 5½ times the 1936 quarterly average of $28,756.

Net Profits Up

The sharp increase in net available for the common during the quarter resulted from an improvement of 21% in earnings before interest, depreciation and depletion, as compared with the average quarterly level last year.

Refunding Operation

If the favorable trend continues Fraser Companies will likely undertake the refunding of its outstanding bonds on a basis which would provide a real saving in interest charges. At the end of last year outstanding Fraser 6% first mortgage bonds, due 1950, totalled over $7.8 millions. They are callable at present on 30 days' notice on any interest date at 104 and accrued interest.

Any refunding plan which is undertaken by the parent company is likely to include provision for the Restigouche bonds. The latter company's 6% mortgage bonds, due 1948, were outstanding to an amount of $4.5 millions at the end of last year. They are now callable at 102¾.

May Build Mill

Meanwhile the company faced with the prospect of a strong pulp market and with a continued advance in prices, has under consideration the establishment of another pulp mill on the Miramichi River. Discussions toward this end have been held with the New Brunswick Government and while no definite arrangement has been made, at least publicly, the matter is still a live issue.

Bell Telephone Plans Submarine Cable Link

From Our Own Correspondent

MONTREAL.—Plans have been filed by the Bell Telephone Co. of Canada with the Minister of Public Works at Ottawa, covering a proposal to lay a submarine cable in the Ottawa River from L'Original, County of Prescott, Ont., to a point on the opposite side of the river in the county of Argenteuil, P.Q.

Pacific Mills Ltd. Plans Extension of Sea Wharf

From Our Own Correspondent

MONTREAL.—Pacific Mills Ltd., British Columbia newsprint operator, has filed notice with the Federal Minister of Public Works of its intention to extend the existing deep-sea wharf in Cousin's Inlet at Ocean Falls, B.C. The company's principal coast plant is located at that point.

Canada Packers Ltd. $3 Dividend Stays

(Continued from page 1)

"During all that time the main objective had been to build up working capital."

Results For Year

Net profits for the year ended March 25, 1937, are not strictly comparable with those for the preceding year because of redemption of the former preferred stock and consequent changes in the amount of fixed charges. The earnings reported for 1935-36, however, were $4.86 a share on the common stock after preferred dividends, compared with the 1936-37 year's earnings of $7.61 a share after bond interest.

Two increases in plant wages in the past year, says Mr. McLean, puts them on a basis "substantially higher than in 1929." These advanced wages, he adds, have been offset to an appreciable extent by "higher efficiency brought about by co-operation of employees."

The company's outstanding bonds have been reduced from $6 millions to $5¼ millions with payment of a serial maturity due Jan. 2, 1937.

There is only a slight decrease in net working capital, but both current assets and current liabilities are higher. The rise of current assets is chiefly in inventories which were up $4 millions to a total of $9.4 millions. The advance in current liabilities was largely in the form of a bank loan of $5.7 millions, an increase of somewhat over $5 millions in the year.

Income figures follow:

Consolidated Income and Surplus Account

	— Years Ended — Mar. 25 1937 $	Mar. 26 1936 $
Net sales	72,699,819	63,586,883
Add: Inc. from invests.	88,167	48,811
Prof. on sale of invts.	53,140	......
Net income	72,840,826	63,635,694
Less: Cost of materials	59,613,720	51,986,638
Exps., wages, etc.	10,083,985	9,055,754
Net earnings	3,143,121	2,593,302
Less: Depreciation	784,996	748,010
Bond interest	213,110	49,758
Reserve for taxes	622,350	507,514
Net profit	1,522,663	1,288,011
Less: Pref. dividends	......	316,701
Common dividends	600,000	600,000
Surplus for year	922,663	371,310
Add: Previous surplus	5,177,174	5,379,414
Less: Premium on pref. shares	......	573,550
Surplus forward	6,099,836	5,177,174

Working Capital

	1937 $	1936 $
Current assets	14,280,053	9,124,029
Current liabilities	7,577,254	2,244,619
Working capital	6,702,799	6,879,410

B. C. Stock Exchange Bldg. Reduces Loss in 1936

A loss of $27,376 for 1936 is reported by Stock Exchange Building Corp., Vancouver. This compares with a loss of $28,392 for 1935 and $34,608 for 1934. Gross revenue for 1936 was $84,372 against $82,051 in 1935.

At April 16, 1937, the building was reported to be 89.50% rented with current rentals running at the rate of $92,370 a year. Average occupancy in 1936 was 87.96%.

Taxes for 1937 have been paid in advance. Interest which became due Feb. 1, 1934, on the corporation's $534,400 of 6% first mortgage bonds, was paid March 15, 1937.

York Street Buildings About 97% Occupied

York Street Buildings, Ltd., Toronto, operating the Adelaide Buildings, reports that the building is approximately 97% rented. This compares with about 75% occupancy in July, 1936.

All taxes and accounts have been paid as required and the company has maintained regular payments of interest on its $181,900 of 6% first mortgage bonds. Sinking fund payments were met regularly until this year, but the payment due April 1, 1937 has not yet been made.

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Alberta House Passes Aberhart's Budget

(Continued from page 1)

Bryne is en route to Canada at the present time.

To date Mr. Powell's efforts have been confined to uniting the Social Credit forces in support of a proposed drive toward the introduction of Social Credit monetary theories. For this purpose pledges have been distributed among members of the legislature and it is expected that most of the Social Credit members will sign them. The pledges bind members to stand behind the Social Credit Planning Board and its technicians and to avoid "recriminations of the past and provocative utterances in the future."

G. MacLachlan, chairman of the Planning Board, has announced that Major Douglas is ready to become technical adviser to the board when unity exists in the party ranks.

Another victory for the insurgents appears to be the reported decision of the Government to drop its debt reduction bill sponsored in March last by Hon. Lucien Maynard, minister of municipal affairs, and to replace it by a more moderate bill introduced by Attorney-General J. W. Hugill. The Maynard bill would have cut principal of all private debts contracted prior to July 1, 1932, by 50% and was attacked by the insurgents as having nothing to do with Social Credit.

It is understood that the new Hugill bill will enlarge the existing Debt Adjustment Act to cover all resident debtors.

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Candid Camera View of Man Keeping Cool With

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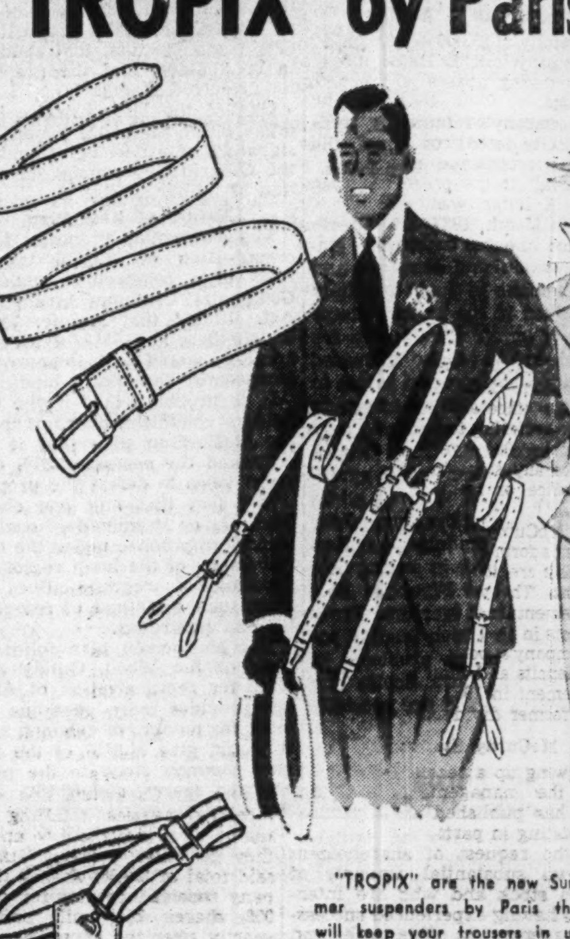

"TROPIX" are the new Summer suspenders by Paris that will keep your trousers in unwrinkled perfection — and help preserve your trim, crisp appearance. They not only look cool—but are cool. Various Summery patterns, all with the famous "Free-Swing" action back. At $1.

Paris has also designed cool "TROPIX" garters (50c), and sport belts ($1 and 1.50). See them in The Store for Men.

STREET FLOOR.

Simpsons

To—

Gypsum, Lime and Alabastine,
CANADA, LTD.
Shareholders

Numerous changes have been made in the Board since Col. Cockshutt became Chairman, until now the principal officers and members of the board are much the same as those in the Cockshutt Plow Company. Col. H. Cockshutt is Chairman of both companies, Mr. G. A. Dobbie was made President of the Gypsum Company and is a Director of the Plow Company, and Col. Cockshutt's nephew, Gordon Cockshutt, is Vice-President of the Gypsum Company and President of the Cockshutt Plow Company. (Shareholders of the Gypsum Company should acquaint themselves with the history of the Plow Co. and the treatment accorded its shareholders.) In addition to the above members of the Board of the Gypsum Company, there are Messrs. Inksater, McConnell and Andrews; also Mr. S. G. Dixon, apparently representing Mr. W. C. Pitfield, of Montreal, who, we understand, resigned from the Boards of both the Gypsum and Cockshutt Plow Companies several years ago at the request of Col. Cockshutt.

Col. Cockshutt in his letter to the shareholders dated June 11th, attempts to show that the company under his management increased its business and made a profit in 1936 "while the value of building permits was less in 1936 than in 1935" and again "in spite of the fact that the value of building permits was less in 1936 than in 1932." The truth is that this company is engaged almost exclusively in the residential field and the records of MacLean Building Reports Ltd. show that both the number and value of residential permits for the year 1936 increased considerably over the year 1935 and were up nearly 50% over the year 1932. Therefore, it would seem that the present management either were misinformed or were trying to mislead shareholders and financial houses by making statements of this character.

The statement by the present management that operating expenses have been reduced is easily understood. If the company were getting its share of business in keeping with the pace of improvement in residential building, instead of getting what seems to be just about one-fourth (¼) of what it should be getting, then operating expenses as well as earnings would be up considerably.

Col. Cockshutt claims that the present management made a wise move in disposing of the company's interest in the English subsidiary which was acquired to protect the large, profitable export business built up under the successful management of Mr. R. E. Haire. This sale of assets helped to swell the cash account for 1936. But the present management has not told the shareholders and financial houses that, in disposing of the English interest, as has been reported to us, it also sold off the Company's right to ever again engage in that export business to England.

Each and every shareholder who has not already done so should take advantage of the opportunity of protecting his investment, and express his opinion regarding this kind of management, by sending in his or her own proxy or if shares are registered in Brokers' names by having those Brokers send in proxies, in favour of Mr. R. E. Haire, thus helping to return successful, experienced management to office, so that dividend payments may be resumed.

R. S. McCurdy,
Chairman.
Shareholders' Protective Committee,
1014 Canada Permanent Building,
Toronto.

Opposing Groups Continue Fight for Gypsum Control

Shareholders Will Decide on July 15 Which Group Is to Direct Company's Affairs

The campaign for proxies in the case of Gypsum, Lime & Alabastine is increasing in intensity.

New statements have been issued by the management and the Haire-McCurdy group who want to oust the present management and install themselves.

By the time shareholders gather at the special meeting that has been called for July 15 at Paris, Ont., the scene will be set for a dramatic debate over the company's affairs.

How close will the opposition come to a majority vote?

That question will only be answered after the initial meeting and the collection and checking of proxies. The only indications of the possibilities are statements by R. S. McCurdy, a former director, and active campaigner for return of R. E. Haire to the management. He has stated:

1. That at the last annual meeting the Haire group had proxies for 127,000 shares to the management's 139,000.

2. That the group supporting R. E. Haire has already received "a tremendous response" to requests for shareholders' proxies for the special meeting.

Gratuity to R. E. Haire

A gratuity of $5,000 a year paid by the company to R. E. Haire is one of the interesting phases of the proxy campaign.

The company's minutes show that the gratuity dated from Jan. 1, 1934, and was to continue as long as he was "loyal" to the present management. A letter was sent to Mr. Haire in March, 1937, after he had criticized the management at the last annual meeting.

Terming the company's letter "an amazing offer," Mr. McCurdy recently stated that "the present management attempted by letter dated March 22 last to obtain the co-operation of Mr. Haire, in an effort to remain in office and carry out their plans, by offering to continue to pay Mr. Haire $5,000 a year, 'if he would not take any steps to remove them from office or start a competitive business.'"

Mr. McCurdy stresses the large dividends formerly paid by the company as a credit to Mr. Haire's management. The view of the present management is that large dividend payments in 1930 and 1931 weakened the company's position by creating large deficits and that the change of management in 1933 was one result of the former dividend policy.

McCurdy Statement

Following up a recent letter criticizing the management, Mr. McCurdy has published an advertisement, stating in part:

"At the request of shareholders who own substantial amounts of common stock and who are interested in having experienced successful management in office to the end that dividends and profits may be received, a special general meeting of the shareholders was requested for the purpose of electing new directors and returning to office the former successful management of the company, under Mr. R. E. Haire, founder and former president of the company . . . The company's earnings under Mr. Haire's management always seemed to parallel and often exceed the improvement and pace set in residential building which is the company's principal field of activity . . .

"The company's sales records compared with the records of MacLean's Building Reports Ltd., which report the progress of residential building throughout Canada, seem to show that the company—since the present management went into office—has been getting on the average only about one quarter of the business that it should be getting in keeping with the pace of residential improvement. Latest reports seem to indicate that the failure to get its share of business is becoming worse. For this reason and others, an immediate change in management is necessary."

In his letter to shareholders, Mr. McCurdy pointed to the record of the company under R. E. Haire's administration.

"An investment of $100 in the capitalization of the original Alabastine Co. has at the present time a valuation of more than $3,000 without counting the generous dividends paid," says Mr. McCurdy.

"The opportunity is ripe for a revival of this fine record, for the payment of dividends to all shareholders," states Mr. McCurdy, referring to the company's dividend record under the former management. "But in order to revive and increase its earnings, and resume dividend payments as quickly as possible, it is necessary that the management of the company be returned to the man who built the business, who knows every branch of it thoroughly, and who has been loyal to your interests."

Discussing the policies of the present management, Mr. McCurdy states that, "Mr. Cockshutt is not experienced in manufacturing and merchandising the products of your company, does not know the business, and at his age of 69 it is not to be expected that he is going to try to learn it."

"It is known in trade circles that the general manager does not bother to keep in touch with many of the larger customers," asserts McCurdy. "Many of the largest dealers in building supplies, who have been customers of your company for years, have not been visited by the general manager nor have their requirements been properly looked after."

Close Vote Last Year

Objections to the present policies of the company were evident at the last annual meeting, says Mr. McCurdy, resulting in a close vote at the meeting. McCurdy explains this point to shareholders as follows:

"Just prior to the last annual meeting held in February, a number of large shareholders contacted some other shareholders to ascertain their views and wishes regarding Col. Cockshutt and his continuing to dominate the affairs of your company. With little difficulty, in the relatively small canvass of the shareholders that was made, proxies for 127,000 shares were received against Mr. Cockshutt. The company received proxies totalling 139,000 shares. It is important to know how they got those proxies: Out of the said total of 139,000 shares, the company received proxies for over 80,000 shares by mail, unsolicited, shortly after the annual report was mailed to the shareholders, many of whom signed the form of proxy enclosed in the annual report and mailed it back to the company as is the usual customary procedure. The balance of the proxies totalling something over 50,000 shares received by the company were received only after Mr. Cockshutt had apparently used all his influence and pressure through his various connections and made an intensive personal canvass in Montreal and other places."

Management's Views

Col. Henry Cockshutt, chairman of Gypsum, Lime and Alabastine, has written to shareholders seeking their support at the coming special meeting.

He justifies the policies of the present management and contends that the company has more than maintained its position in the industry. He writes to shareholders on this point as follows:

"While the present administration has consistently reduced operating costs, approximately $100,000 per year has been expended for repairs to and rehabilitation of operating plants. The research department and the engineering staff have maintained and improved the quality of existing products and have added new materials which have been exceptionally well received by your company's customers.

"An aggressive and efficient sales force has been built up during the past four years, with excellent results. This is confirmed by the fact that, while the value of building permits was less in 1936 than in 1935—25.5% of normal as against 29.8%—your company's sales increased by $380,117."

Progressing Financially

Taking credit for progress made since the present management took office in 1933, Col. Cockshutt outlines improvement made in the company's finances since that time. His letter to shareholders states:

"When the present administration assumed full control, a drastic reorganization was necessary to adjust the entire set-up of the business. All operating costs and overhead expenses were greatly reduced, the overhead expenses for the year 1936 being $240,000 less than for the year 1932.

"Bank and mortgage loans have been paid off to the extent of $287,468, and today the company is not borrowing.

"Cash on hand increased from $18,739 at the end of 1932 to $378,097 at the end of 1936, while outstanding bonds were reduced by $125,500."

Further evidence that the company has been able to improve its place in the industry is supplied by Col. Cockshutt. "For the year 1932," he says, "the company showed a loss of $295,571, with no provision for depreciation, as compared with a profit in 1936 of $48,005, after providing for ample depreciation to the extent of $169,064. This is in spite of the fact that the value of building permits was less in 1936 than in 1932."

The Financial Post is informed that depreciation was charged in 1936 at full rates which have been established by the company as adequate and fair. This rate of depreciation is not based on the allowance permitted by the Dominion Government which is stated to vary according to the type of equipment and plant.

A Wise Move

The directors were wise in selling the company's interest in Gyproc Products Ltd. of Great Britain, says Col. Cockshutt, explaining this action as follows:

"Your directors, during 1936, negotiated a sale of the company's minority interest in the English company, which resulted in a profit to this company of $107,154 and a revenue for the next five years by way of a fixed fee as technical advisers. The wisdom of this sale is confirmed by the fact that the building boom in Great Britain has definitely reached its peak, and we have been advised that selling prices of the company's products have been reduced by 15% in an effort to forestall the erection of proposed new factories."

Commenting on the management of the company under R. E. Haire, Col. Cockshutt says:

"In July, 1935, the directors and shareholders unanimously passed a by-law writing off and writing down capital items to the value of $3,983,177. These losses were suffered by shareholders, but were incurred by the previous management, due to inflated value of assets purchased, and obsolescence."

Change in Gypsum Lime

The present fight to change control and management of Gypsum, Lime & Alabastine, Canada, Ltd., if successful, would not be the first time that extensive changes have been made in the directorate of the company. Only three men, Col. The Hon. Henry Cockshutt, Brantford; J. E. McConnell, of London, Ont.; and J. R. Inksater, of Paris, Ont., have been directors of the company continuously since 1932, during both the "Haire" and "Cockshutt" régimes.

The following tabulation of officers and directors of the company has been prepared by The Financial Post from the company's annual reports. The 1937 names are those of the present officers and directors, giving effect to changes made this year.

Officers and Directors	1937	1936	1935	1934	1933	1932
Chairman	Col. H. Cockshutt	Col. H. Cockshutt	Col. H. Cockshutt	Col. H. Cockshutt	Col. H. Cockshutt	
President	G. A. Dobbie	Col. H. Cockshutt	Col. H. Cockshutt	Col. H. Cockshutt	R. E. Haire	*R. E. Haire
Vice-president	C. G. Cockshutt	G. A. Dobbie	G. A. Dobbie	W. C. Pitfield	W. C. Pitfield	
	J. E. McConnell	J. E. McConnell	J. E. McConnell	J. E. McConnell	J. E. McConnell	J. E. McConnell
Directors	J. R. Inksater	J. R. Inksater	J. R. Inksater	J. R. Inksater	J. R. Inksater	J. R. Inksater
	S. G. Dixon	S. G. Dixon	R. E. Haire	R. E. Haire	W. T. Henderson	H. J. Haire
	F. Andrews	Wm. Armstrong	Wm. Armstrong	Wm. Armstrong	Wm. Armstrong	Wm. Armstrong
		R. E. Haire	W. C. Pitfield	G. A. Dobbie		W. C. Pitfield
						J. F. Cameron
						Col. H. Cockshutt
						G. H. Kranenberg
						R. S. McCurdy
						N. L. Nathanson
Gen. mgr. & treas.	F. Andrews	F. Andrews	F. Andrews	F. Andrews	F. Andrews	
Secretary	S. H. J. Reid	S. H. J. Reid	S. H. J. Reid	S. H. J. Reid	S. H. J. Reid	S. H. J. Reid

*President and managing director.

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CANADIAN VICKERS LIMITED
HEAD OFFICE — MONTREAL
NEW GLASGOW TORONTO DRUMHELLER WINNIPEG EDMONTON VANCOUVER

Can. Wineries Sales Higher

Loss Shown For Year But Larger Sales Increase Expected

Canadian Wineries Ltd. has made noticeable progress in the year ended April 30, 1937. A combined programme of economy, which reduced overhead alone by $25,000, and energetic sales have laid the foundation for further progress in 1937.

F. R. Ramsey, president, reports an increase in sales over the previous year, with the prospects of a much larger increase in the current year. The company's lower priced wines have recently been listed under Canadian Wineries' name in the Province of Quebec.

Profit From Canada

The Canadian company, states President Ramsey, showed a profit of $11,911 for the year ended April 30, 1937. The consolidated loss is, therefore, attributed to the operations of Chateau Gay Ltd., the American subsidiary.

"In this connection," writes Mr. Ramsay, "your management wishes to point out that eliminating the write-offs amounting to $15,000 made this year which were not made last year, the loss for the United States unit for the current year was $13,700 in comparison with $25,000 for the previous year."

Chateau Gay Ltd. was formed as a wholly-owned subsidiary in 1934 to build and operate a winery at Lewiston, N.Y. In last year's report the cost of developing this subsidiary was carried at $35,916 as a deferred charge on the balance sheet as at April 30, 1936. This item has now been reduced to $23,944 as a result of the $15,000 write-off in the past year.

Net Loss For Year

The annual report for the year ended April 30, 1937, shows a net loss of $16,837 compared with a profit of $4,582 in the preceding year. Mr. Ramsey, however, states that certain special items should be considered in making any comparison of earnings.

The special write-off of $15,000 which was made against the cost of developing the American subsidiary was not made last year. Non-recurring revenue of $36,600 was also included in earnings for the year ended April 30, 1936. "If the special revenue which the company included in its earnings last year had again been received this year and there had been no write-off for depreciation or development expense, our profit for the year ending April 30, 1937, would be $34,700," states Mr. Ramsey.

The company has not paid any dividends on its 114,000 common shares since 15 cents a share was paid June 29, 1935. No mention is made of prospects for further payments.

A comparison of earnings and working capital follows:

Consol. Income and Surplus Account Years Ended Apr. 30

	1937 $	1936 $
Net earnings	49,097	64,001
Less: Executive salaries	5,601	10,000
Directors' fees	400	660
Legal fees	2,822	5,883
Mortgage interest	315	357
Chateau Gay org. & devel. exp. w/o	11,973	......
Depreciation*	37,834	36,596
Prov. for inc. taxes	4,805	5,923
Prior year's inc. taxes	2,184	......
Net profit for year	†16,837	4,582
Less: Dividends	......	17,100
Loss for year	16,837	12,518
Less: Prev. surplus	136,923	149,441
Surplus forward	120,086	136,923

*Provision was made for depreciation of plant and equipment of Chateau Gay Ltd. in 1937 at one-half established rates; no provision was made in 1936.

†Loss.

Working Capital

	1937 $	1936 $
Current assets	629,448	636,072
Current liabilities	96,178	132,493
Working capital	533,270	503,579

BECOMES PARTNER

Philip F. Seagram, Toronto, who has become a general partner in the Toronto Stock Exchange firm of Seagram, Harris & Bricker.

G. C. Leitch President Of Toronto Elevators

Gordon C. Leitch, previously vice-president and managing director, has been appointed president of Toronto Elevators Ltd., taking the place of the late James Playfair, of Midland.

Guelph Trust Co. Having Good Year

Demand For New Mortgages Fair—Collections Show Improvement

Earnings of Guelph Trust Co., subsidiary of Guelph and Ontario Investment Society, are running around the same level as last year. Further progress is being made, however, in developing assets under administration of the estates, trusts and agency department and a moderate increase in earnings is likely for the full year.

A definite improvement in collections on mortgages is reported by both the trust company and the investment and savings society. This is particularly noticeable in Ontario investments where most of the two companies' mortgage investments are held.

Demand for new mortgages showed some improvement for the greater part of the current year but is stated to have slowed up considerably in the past few weeks.

Most of the new mortgages placed by the two companies have been in Toronto recently. What business is offered in Guelph and surrounding district is taken but there has not been a great enough demand for new mortgage loans from this part of Ontario to employ companies' funds.

Guelph Trust Co. has paid regular dividends of $2.50 a share for the past number of years while the Guelph and Ontario Investment and Savings Society has paid $3 a share for the past four years. Earnings of the trust company were equivalent to $5.13 a share in 1936 while the investment and savings company earned $3.78 a share.

The two companies are operated by the same management. The investment and savings company issues debentures and accepts deposits. The trust company does not accept deposits but issues guaranteed investment certificates. Neither company is making any special effort to obtain new capital at present.

$2 Dividend Declared On Goulds Preferred

A dividend of $2 a share has been declared on the 7% preferred stock of Goulds Pumps Inc., payable July 15 to shareholders of record July 1. The last previous payment was $2 a share on April 15. The forthcoming payment will leave arrears of dividends at $34.50 a share.

Last year's earnings amounted to $12.97 a share on the preferred, which led to resumption of preferred payments this year. No dividends were paid in the years 1932 to 1936.

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Investment Trends

Decline of Stocks Is Still Under Way

But Basic Economic Influences Promise Ultimate Expansion of Prosperity and Higher Levels for Common Shares

This week's decline of stock prices has carried market averages below their previous low points in New York, and serves to confirm the immediate trend of prices as downward.

The majority of market observers who have leaned to the view that the slump had been completed must wait further for definite indications that the downward trend has been terminated.

Despite the renewal of the declining price trend in stock markets, most economic analysts appear of the opinion that the general business recovery can continue for two or three years or more. That is, there is little evidence that another depression is upon us. Rather there is still a lot of active business to come before we have made up for the ground lost in the past depression.

With vivid memories of the 1929 collapse of stocks and the ensuing depression, however, the investing public remains nervous. Stock brokers report that there is little public investment interest in the stock market now, and signs are not lacking in other quarters that public psychology has turned against investment in stocks at least for the present.

It is a peculiarity of mass psychology that when prices are down investors hesitate to buy because they think values may become still lower. And there is an inclination to hold on or to buy when prices have risen sharply. Nevertheless, every decline of stocks comes to an end ultimately, and the lowering of values should add to the investment merits of common shares, if it can be assumed that we are still in a period of economic recovery with the stimulus of inflationary credit conditions underlying the price structure.

How Far Down?

Stock market averages show the extent of the decline of industrial shares this year. The Montreal Stock Exchange index for industrial shares has dropped from 122.2 toward the previous low of 100.3. The Toronto Stock Exchange index has fallen from 187.7 within striking distance of the low of 157.8. In New York, the decline has carried the Dow-Jones average for industrial stocks sharply below the previous bottom of 167.5.

The important question is how much farther the decline is likely to go. At best the answer is partly guesswork. One suggestion is that the New York low may be found somewhere around 160, which might mean that the Toronto and Montreal averages would not reach their previous low points. It is also possible, however, for the New York average to drop as low as 150-155 on the present downward movement. It now appears that several weeks may elapse before definite indications of a firm bottom will become available.

* * *

Prosperity or Not

Every time stocks commence such a downward trend as we are now witnessing, there is the possibility that an end has come to the major advance based on a long-range economic recovery. The question that arises is whether the order or disorder of things is carrying North America into another depression.

It does not seem likely, for reasons such as these:

1. The huge backlog of requirements in capital equipment created in the depression is still far from being satisfied.
2. Prices for agricultural products are higher than for several years, and prospects are that farm income will be better this year than in any year since 1929.
3. Although increased wages have added to industrial costs, they are also increasing the spending power of those whose needs for new articles are greatest.
4. Expansion of credit on an international scale lends an inflationary aspect to the economic picture and could furnish support for more active business and higher prices for stocks.

Although temporary adjustments can interfere with the recovery of business and the improvements in share prices, rising income and demand for equipment to replace the wear and tear of the depression years should sooner or later make business better and increase corporation earnings still further.

* * *

Why the Slump?

Largely due to increase in proportionate holdings of common shares, Dominion & Anglo Investment Corp., Toronto investment trust, has improved the value of its assets to a total of $2,682,253 at April 30, 1937. The company had an initial capital of $2.5 millions in 1928, and subsequently redeemed $150,000 of preferred stock. So it has a profit over the past nine years.

The striking change in investments occurred between April, 1932, and April, 1934. In that period, the holding of bonds was reduced from 46.6% of total investments to 15.1%. And the holding of common shares was increased from 18.1 to 50.1 of the invested funds. The 1937 report shows that the trust has only 7.9% of its money in bonds and 57.5% in common stocks. The rest is mostly in preferred shares. The large proportion of common shares retained at April 30, 1937, indicates that faith in continuation of prosperity is still a guiding principle of the trust's investment policy.

* * *

Investment Policy

Business has been good this year, better in many lines than in 1936, and it is showing up in earnings on the shares that have been declining on the stock exchanges.

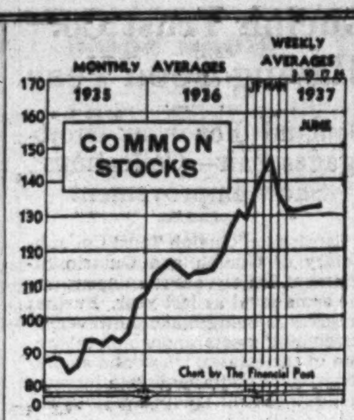
It may be that the decline of share prices is discounting the adverse effects of strikes, particularly in the United States. And possibly the rise of industrial costs in the past year will have an unfavorable effect on earnings for a time.

There is also the rather puzzling explanation that the stock markets have temporary advances and declines in the midst of a longer term movement; and that the current weakness of prices is one of the temporary setbacks in a major rise. Like the weather, the stock market has its vagaries.

* * *

Foreign Influences

It is not difficult to discover reasons in the European situation for the recent softness of share prices in Canada and the United States. The increase of the discount rate of interest by the Bank of France this week, for instance, means that financial strain is still being felt in Paris. While this situation is a threat to prosperity in that it might upset the stabilization of currencies that has been achieved in the past year, there is ample evidence that the major economic powers, Great Britain and the United States, will struggle to maintain the present measure of international prosperity and to increase it.



STOCKS DOWN

Common stock prices advanced slightly in the week ended June 10, as measured by the Dominion Bureau index, but subsequently have fallen again. Comparative figures appear on this page.

European conditions, economic and political, cannot be regarded as healthy, but they do not appear any worse now than they have been for the past year or two.

* * *

When to Buy

Interest yields on prime government bonds remain around 3¼ to 3½% for longer term issues. Many good quality common shares can be bought to yield 4% to 7%, and where the stock yield is low there is usually some expectation of higher dividends. In the circumstances, it does not appear that well-tested shares are overvalued on an income basis which is after all the best measure of capital values.

Advisory services continue to suggest that investors should purchase seasoned common shares at or near the low points for the current year. One leading service advises investment of 50% of funds in Government bonds, even in periods of rising stock prices, and has advised clients to keep the other 50% in common shares at higher prices than those now prevailing. Most services suggest that the portion of the investment fund available for purchase of stocks should now be fully invested. The investor is well advised, of course, to remember that 50% of any fund is the maximum proportion recommended to be placed in stocks.

Investment Notes

Union Gas—Proxies for the forthcoming annual meeting will be requested, as is customary, by the management of the company. There is a possibility that the group that pressed for changes at the recent special meeting will seek shareholders' votes for the annual meeting. The recent vote in favor of the present management, however, seems to have reduced interest in the feud.

* * *

Massey-Harris—Gairdner & Co., Toronto investment firm, has issued a new circular on the company, stressing the preferred shares. On the basis of an increase of 35% in sales for this year, it is estimated that the company could earn $9.76 a share on the preferred. As to the arrears of $32.50 a share on the preferred, it states: "It is natural to assume that in the not distant future the directors will be called upon to obtain from shareholders the authority that is necessary to enable them to deal with a settlement of the arrears in a manner satisfactory to the preferred shareholders." The view is expressed that whatever the settlement of the claims it should enhance the market value of the preferred.

Windsor Order Finally Signed

Debenture Holders Will Receive Back Interest Early in August

Final order for the settlement of the funded debt of the former municipalities of Windsor, Walkerville, East Windsor and Sandwich was signed on June 15, 1937, by the Ontario municipal board.

When holders of present debentures receive their new securities they will be able to cash all coupons which have matured since Jan. 1, 1936. The first coupon which will be attached to the new debentures will be in the nature of a demand coupon, and, when presented, will entitle the holder to receive an agreed proportion of the unpaid interest which became due up to the end of 1935.

This will amount to the following percentages of the total interest: Windsor, 52%; East Windsor, 50%; Walkerville, 15%; Sandwich, 12%. This immediate payment of 1935 and earlier interest is based on the amount of cash which the various municipalities had on hand at the end of 1935. The amount is smaller in the case of Walkerville because that municipality paid full interest almost to the end of 1935. The Sandwich payment is contingent on the recovery of cash which is now held by the Imperial Bank

Two other cases of default which are directly concerned with the Windsor action and the settlement of which will be brought closer are the Essex Border Utilities and the Windsor, Essex and Lake Shore Railway. The latter situation is complicated because of the number of municipalities, nine in all, which are liable for its debts. The Windsor plan, just signed, provides for the settlement of the proportion of the liability of the four municipalities concerned on the same basis as their direct debt. Final settlement of the Windsor, Essex and Lake Shore Railway, however, will have to await the refinancing of the other defaulted municipalities which are concerned.

The Essex Border Utilities debt is a liability of the various Border Cities but the proportions which each will have to bear is set by a number of by-laws.

Campaign Fights Chain Store Tax

Battle against imposition of increased and burdensome taxes on chain stores in the Province of Quebec has been resumed with announcement of an extended educational advertising campaign by Dominion Stores Ltd. Power to impose increased taxation on chain stores was conferred on a number of municipalities at the last session of the Quebec legislature, and this authority has already been utilized in some instances.

The Dominion Stores' appeal for public support in resisting the taxation threat will be in the form of a series of advertisements in daily, weekly and magazine publications throughout the province. The advertisements will stress the services which the company feels it renders to all classes of the community, with particular reference to housewives, farmers, landlords and public utilities. It is felt that support for the chain stores' protest against the new taxes will be fostered by understanding of how the stores function, and of the difficulty which the stores contend they will have in meeting any extra financial burdens.

Enlarged reproductions of outstanding advertisements in the series will be displayed in store windows, and copies of a portfolio carrying the first 10 advertisements will be sent to legislators, mayors of principal towns and store managers. The campaign, which is being handled by Cockfield, Brown and Co., will run from June to December, with the likelihood that another series will be launched before the end of this year.

Larger Plan Is Seen Behind Merger Move By Canadian Hydro

(Continued from page 1)

security to provide sufficient funds for the redemption of the outstanding debentures. The refunding will be done, likely this fall, if the financial set-up is simplified along the lines set out in Canadian Hydro's plan.

While no definite arrangement has been made at this date, it is understood a group of financial houses will underwrite $14.5 of convertible debentures of Gatineau Power Co., with a coupon rate appreciably less than the 6% rate now prevailing.

Step Up Preferred?

A new debenture for an old debenture naturally would not affect the present position of Canadian Hydro first preferred stock as regards priority of claim to assets or earnings.

But it is the intention to make the convertible feature of the proposed debentures so attractive, that in the ordinary course of events, it will be only a matter of a short time before the debentures are converted into Gatineau common stock, and the preferred which is being offered to Canadian Hydro first preferred shareholders, will then become the second charge on the Gatineau property, ranking immediately after the first mortgage bonds. In other words it is hoped eventually to provide Gatineau Power with a capital structure consisting only of first mortgage bonds, preferred and common stocks.

The price at which the proposed Gatineau debentures will be convertible into common will not be decided until after the new Gatineau common has made a market for itself. Whatever it is, the proposal is to place the conversion price level within a few points, so as to offer every inducement for the debenture holders to exchange for common stock.

Common Stock Possibilities

The other feature which is not stressed in the official memorandum is the possibility of earnings on the new common of Gatineau Power. On the basis of consolidated income reported for the first quarter of 1937, and after making provision for the 5% dividend on the new Gatineau preferred, the balance of income was equal to 19 cents a share on Gatineau Power's new common stock set-up.

Estimates are that Gatineau can earn this year between 75 and 80 cents a share on the common under the plan put forward.

It is not expected that earnings will remain at that level. The manner in which power consumption in the Niagara District has increased in the past year, indicates that Ontario Hydro will have to increase its firm power deliveries with Gatineau before the end of the year. Conservative estimates are said to show that for 1938 Gatineau Power should earn between 80 and 90 cents a share on the new common, which would warrant payment of a dividend of 75 cents a share with whole plan completed.

While forecasts often go awry, the manner in which the Niagara district load is increasing is said to point to Ontario Hydro taking full firm power contract deliveries from Gatineau in the very near future. When and if that happens, it is claimed Gatineau's earnings would be sufficient to warrant a dividend payment of $1.25 a share.

May Be Big Dividends

In the event that these estimates of anticipated earnings are fulfilled, Gatineau Power's new common stock in the next two or three years may more than compensate for the drop in the coupon rate on the preferred shares exchanged by the present shareholders of Canadian Hydro, while the market value of the common might be appreciably higher than $12.50 of dividend arrears conceded under the plan.

This broader picture of what is in prospect for Gatineau Power, it is admitted, is on a "when, as and if issued" basis. Meanwhile Canadian Hydro's consolidated profit and loss statement for the first quarter of 1937 clearly shows that the loss of income from the revised Ontario Hydro contracts has been offset by revenue from other sources as net income this year was higher than for the same three months of 1936. The statement follows:

Consolidated Statement of Profit and Loss
Quarter Ended March 31

	1937	1936
	$	$
Revenue:		
Operating rev.	2,114,243	2,099,682
Other income	30,394	24,128
Prof. or loss on exch.	84	612
	2,144,721	2,124,422
Expenses:		
Operating & general	217,221	221,064
Maintenance	47,512	40,475
Taxes — other than income	76,829	75,217
Net inc. before int., deprec., inc. taxes & divds.	1,803,129	1,787,686
Deductions:		
Interest on bonds ..	861,815	866,464
Interest on debent. .	223,196	257,777
Depreciation	153,983	151,800
Bond discount	85,002	86,212
Income taxes	12,000	42,030
Bal. before divds. on 1st pfd. stk.	467,133	383,383

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Lunenburg, N.S.	June...	J. C. Douglas	3½% 3¼% 4%	1938-42 1943-47 1948-57	$60,000	101.20	.....
Paris, Ont.	June..	Harrison & Co.	3½%	1-15 Yr.	10,000	.....	.....
Brantford, Ont.	June...	R. A. Daly & Co.	3½%	1938-47	25,000	.....	.....
Brantford, Ont.	June...	Harrison & Co., and R. A. Daly & Co.	3½%	1-15 Yr.	135,000	.....	.....
Grand'Mere, Que.	June...	A. E. Ames & Co.	4%	30-Ser.	45,000	98.789	4.10%
Halifax, N.S.	June...	Irving, Brennan & Co., Johnston & Ward.	3½%	1938-57	525,000	.....	.....
Wolfville, N.S.	June...	Eastern Securities	4%	20-Yr.	15,500	102.50	3.84%
Pictou N.S.	June...	Irving, Brennan & Co.	3½%	1952	33,000	97.15	.....
City and County of Saint John, N.B.	June...	Wood, Gundy; Bank of Nova Scotia; Eastern Securities	3½%	1-5 Yr.	100,000	102.09	2.67%
Dominion—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Canada Treasury Bills	June...	....	....	Sept. 15 '37	$25,000,000	99.838	.643%

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 6	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 7	Bldg. mater. 14	Indust. mines 2	Total industrials 68	Total utilities 19	Total co's. 96
1929-36:*												
High ...	432.5	113.4	273.4	423.5	113.5	197.8	205.4	281.1	591.3	317.6	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	74.9	56.0	36.9	43.3
1937:												
Jan.	156.3	37.2	119.6	229.6	77.3	184.2	141.0	197.0	549.3	222.0	68.5	137.4
Feb.	163.4	36.7	120.7	235.2	78.5	188.2	139.3	203.5	586.7	228.8	73.1	142.4
Mar.	168.3	40.2	127.0	247.7	80.2	190.0	141.8	213.4	618.2	241.7	71.0	147.2
Apr.	157.5	47.1	117.4	230.4	79.9	182.4	133.4	204.8	538.9	224.1	64.1	136.2
May	151.3	38.5	109.4	229.6	77.5	178.5	128.4	188.4	525.8	216.4	63.0	132.2
Weekly Figures, 1937:												
June 3 ..	150.8	39.8	105.0	225.2	77.2	178.1	126.7	187.4	520.3	214.0	63.5	131.3
June 10 ..	152.6	40.1	103.5	223.4	77.9	178.9	131.4	186.9	526.6	214.1	64.2	131.8

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
June 15	163.35	119.98	154.26
June 14	162.86	119.86	154.11
June 12	165.05	121.88	157.46
June 11	165.69	122.52	158.13
June 10	166.15	126.06	157.20
June 9		—Holiday—	
Month ago ..	163.02	122.11	154.85
Year ago ...	130.38	144.20	130.48
High, 1937 ..	187.67	168.59	215.36
Low, 1937 ...	157.82	119.22	151.03

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
June 15	76.3	106.1.	96.1
June 14	76.2	105.7	95.8
June 12	76.8	107.7	97.4
June 11	77.4	108.3	98.0
June 10	77.4	108.9	98.3
June 9		—Holiday—	
Month ago	75.3	104.0	94.4
Year ago	68.3	72.8	71.3
High, 1937	92.5	122.2	109.5
Low, 1937	74.8	100.3	92.3

Abitibi Groups Have Own Plan

An official statement issued on behalf of the Abitibi Power & Paper Co. bondholders' committee reads:

"J. P. Ripley, chairman of the bondholders' representative committee which was elected at a bondholders' meeting to represent the holders of Abitibi bonds states that the bondholders' representative committee, with the approval of the preferred stockholders' protective committee, of which Lieut.-Col. Herbert Molson, is chairman, will at an early date announce a plan for the reorganization of the Abitibi company."

Ancroft Place Ltd. Reports Loss in 1936

Ancroft Place Ltd., Toronto, has a net loss of $16,002, after bond interest and depreciation, in the year ended Aug. 31, 1936. Adding this amount to the previous deficit, gave a total deficit of $130,716 which was shown on the balance sheet. Net operating revenue was $13,947 before provision for bond interest of $18,817.

The company, which operates a group of 21 centrally heated houses in Toronto, was reorganized in 1936. The $289,500 of 6½% first mortgage bonds outstanding were exchanged for the same amount of 4% bonds, due March 1, 1956. Taxes and other accounts have been paid as due.

Canadian Wirebound Pays $1 on Arrears

A dividend of $1.37½ a share has been declared on the class A stock of Canadian Wirebound Boxes, payable July 2

This consists of the quarterly payment of 37½ cents a share and $1 a share on account of arrears. The payment will reduce accumulated arrears to $2.25 a share.

Sulphite Directorate

From Our Own Correspondent

MONTREAL. — Lake Sulphite Pulp Co. has elected 3 new members to the board of directors: Gordon C. Leitch, president Toronto Elevators; Joseph Simard, president Sun Trust and other corporations; and John McCall. Toronto financier.

Winnipeg Electric Company
4%-5% Series "A" Bonds due January 2nd, 1965

Winnipeg Electric Company and subsidiaries own and operate public utility systems in Winnipeg and surrounding districts.

These Series "A" Bonds bear 4% interest to 1942 and thereafter 5% to maturity.

Price: 77 and interest, yielding 6.46%

Descriptive circular upon request.

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Ask for Review P1

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36 Toronto Street Toronto

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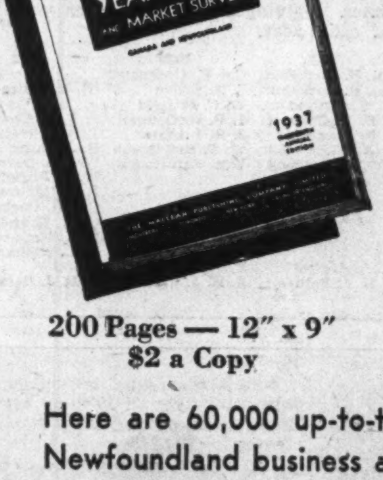

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Notice to Debenture Holders of the City of Calgary
Alberta, Canada

Notice is hereby given that a Plan of Adjustment of the Debenture Debt of the City of Calgary has been approved by the City of Calgary and is being recommended to the debenture holders for acceptance by the Debenture Holders' Committee.

Since to become effective, the Plan requires the approval of holders of 60% in value of the debenture debt, the Committee desires to urge that it is important to all holders of City of Calgary Debentures that they communicate with the Secretary to the Committee, C. H. Webb, Esq., 10th Floor, 302 Bay Street, Toronto 2, Ontario, in order to obtain complete details of the Plan affecting their securities, together with the form of approval.

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FOR SALE, ONE HUNDRED ACRE farm, more or less, with 10 to 15 feet of best white gypsum in township of Seneca, County of Haldimand, quarter of mile from village of Caledonia, lot eleven, adjoining the Gypsum, Lime, Alabastine Company's property. Canadian National Railway runs through farm with switch, good chance for shipping. The Gypsum can be bought separately from the farm. Good gas well also on the farm. Apply Mrs. Margaret Smith, Box 104, Caledonia, Ont.

Executive Seeks Change

YOUNG SUCCESSFUL EXECUTIVE with sales organization and also executive secretarial experience, who is now engaged, wishes to make change, interested in trade association secretarial managership or executive position. Applicant is anxious to become associated with proposition offering permanent and real future, has good education, used to meeting public and sincere in all efforts. Box 80, The Financial Post, Toronto.

Executive Available

YOUNG MAN WITH BACHELOR OF Commerce Degree, four years accounting and auditing experience, lecturer in accounting, desires to make change to position offering a good future. Has widely varied experience and training in auditing and investigation work. Excellent references. Box 76, The Financial Post, Toronto, Ontario.

Executive Available

SALES ENGINEER WITH FIFTEEN years executive experience in charge of sales organization wishes new contact. Write Box 75, The Financial Post, Toronto.

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YOUNG MAN — ARTS — COMMERCE graduate, business manager small daily newspaper, experienced proof reader and reporter, advertising, also commercial teacher. Wishes position financial or large publishing house. Minor opening acceptable. Box 74, The Financial Post, Toronto.

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Bond Markets

Treasury Bills Cost Touches All-Time Low

Large Province of Quebec Loan is a Possibility — Municipal Issues Feature General Market and Firm Prices Continue

This week's sale of Dominion of Canada treasury bills touched the all-time low point from the standpoint of cost to the Government. The $25 millions sold on June 14 cost the Dominion 0.643%, or a basis of 99.83816.

This sale equals the low point of Sept. 15, 1936, when the same price was obtained. The high point this year, from the standpoint of cost to the Government, was 0.805% on March 15, 1937. Since that time, successive reductions have brought the cost to the present low point.

This does not appear to indicate any immediate likelihood of higher interest rates, although the price of high-grade government bonds has not shown a comparative rise. The Financial Post index, however, shows firm prices continuing.

Quebec Financing

Continuance of a firm market for high-grade government bonds and the reception given to the latest Dominion treasury bill offering, brings talk of a Province of Quebec issue. When it comes, this is likely to be a large issue for provincial financing and as much as $50 millions is mentioned. The last Province of Quebec loan was for $51 millions in Oct., 1936, and was oversubscribed in one day.

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Municipal Issues

Another quiet week has featured the bond market. Demand for short-term high-grade bonds is fairly strong and the better grades of corporation issues also find a good reception

Few new issues, however, have appeared in recent weeks and inventory in dealers' hands is reduced. A good demand has recently developed for good municipal issues and several of these have been sold.

The city of Halifax issue of $525,000 was the largest sold since the Hamilton issue of two weeks ago. It is understood that over half of these bonds, on which tenders closed on June 11, have been sold. The offering price for the longest maturity was 97.19 to yield 3.70%.

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Private Investor

Edward B. Hall, president of the Investment Bankers Association of America, recently discussed the bond market from the standpoint of the buyer of long-term bonds. After a period of steady advances for several years, he says, bonds reached the highest prices in years and then receded somewhat from this level.

No one, says Mr. Hall, should buy a long-term bond unless he is going to be perfectly satisfied with the purchase so long as interest and principal are paid promptly when due and the bond has a good market at the prevailing level of prices for bonds of that grade.

While the greater percentage of the new bond issues offered in the United States in 1936, according to Mr. Hall, were purchased by institutional investors, the individual is still an important factor in the bond market. A large proportion of investors have an ingrained preference for bonds rather than shares and even a 3½% coupon rate does not deter them.

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Bond Index

Market trend for high-grade government bonds is indicated below:

The Financial Post Index of Average Price and Yield of High Grade Govt. Bonds

1937	Price $	Yield %	1936	Price $	Yield %
June 15	113.74	3.281	June 15	116.37	3.118
June 14	113.76	3.281	June 13	116.27	3.127
June 12	113.76	3.281	June 12	116.23	3.131
June 11	113.74	3.281	June 11	116.08	3.149
June 10	113.74	3.287	June 10	116.04	3.151
June 8	113.77	3.284	June 8	115.63	3.193
Year's	116.81	3.026	Year's	117.91	2.966
Range	111.60	3.505	Range	111.50	3.597

Municipal Finances

Brantford—Tax collections to May 31, 1937, totalled $612,823 compared with $576,520 for the corresponding period of 1936. Of the 1937 collections, $490,258 was current levy and $122,565 on arrears. When the $22,000 received from the Government as a supplementary relief allowance is added, the city treasury is approximately $58,300 ahead this year so far as revenue is concerned.

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Saint John, N.B.—The city's tax rate for 1937 has been set at $4.22 per $100, an increase of 54 cents over the 1936 rate. The total levy for 1937 is $2.1 millions, an increase of $215,992 over 1935. Assessed value of property has been reduced $1,233,450 to $46,304,500. The increase in the tax rate is attributed to revision of exemptions in income tax and the decision to assess for interest and sinking fund rather than pursue the practice adopted for the past three years of taking such requirements from the special assessment account set up from the remaining proceeds of the sale of the harbor to the Dominion.

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St. Thomas, Ont.—Collections of 1937 taxes to the end of May have totalled $319,427, or 51.7% of the year's levy. In the corresponding period of 1936 49.7% of the current levy was collected. If arrears collected are included, the total collections to the end of May, 1937, were 61.3% of the year's levy against 59% in 1936. Arrears collected so far this year have totalled $59,180, or 16.2% of the total unpaid arrears at the beginning of the year.

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Perth County, Ont.—Estimated expenditures for 1937 will require a tax rate of 3.8 mills compared with 3.5 mills in 1936. Net estimated expenditure for 1937 is $134,091. Last year's rate of 3.5 mills raised approximately $123,500 and the county started 1937 with a deficit of $17,000 which is provided for in 1937 estimates.

• • •

Middlesex County, Ont.—Estimated expenses of $435,915 for 1937 will require a tax rate of 6.3709 mills for all purposes but education. The levy for educational purposes will be $108,000 and this will be allocated to the various municipalities on a basis not yet completed.

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Glace Bay, N.S.—A revenue surplus of $29,022 is reported for 1936 before sinking fund and depreciation. After provision for the sinking fund and depreciation, a net deficit of $21,176 is shown. Debentures outstanding at the end of 1936 totalled $1,361,300, after deduction of sinking fund. Sinking fund on hand was $274,254.

• • •

Hampstead, Que.—The Montreal Metropolitan Commission has sanctioned a loan of $108,200 to the town of Hampstead for a public works programme to be completed in two years. Not more than $50,000 is to be expended in 1937. The works will make available 104 new building lots.

• • •

Winnipeg.—No further loans will be made by the Bank of Montreal to the city for relief purposes after July 1. The city's overdraft now amounts to $7 millions of which about $3 millions is for relief expenditures since 1935.

Operations of the city's hydro-electric system for the first four months of 1937 resulted in a surplus of $124,097, compared with $65,422 last year. Earned surplus for April was $27,155 against $4,541 in April, 1937.

• • •

Jonquière, Que., has been authorized by the Quebec Municipal Commission to pay debenture interest due June 1 and June 15, 1937. Interest to June 1 is also being paid on past due bonds and on bonds of the Roman Catholic School Commission.

• • •

Sarnia, Ont., reduced its debenture debt in 1936 by $180,793 and its bank loans by $93,000. Collections of current taxes amounted to 73.9% of the levy. During the first four months of the current year there has been improvement in the collection of both current taxes and arrears of taxes.

Debenture debt amounts to $1,789,571 of which $584,328 were issued for the Sarnia Elevator Co. Payments by the company to the city have been made regularly and recently the company offered to pay off its liability in cash. The city, however, was unable to accept the offer as the bonds are not callable and it would be difficult to invest the principal amount at a sufficiently high yield to carry all charges on the debentures.

Population: Present, 18,230; five years ago, 17,623. Area, 1,770 acres.

Income and Assessment
Year Ended Dec. 31, 1936

Current revenue	$1,007,017
Current expenditure	978,410
Assessed value for taxation	17,948,860
Exemptions not included	2,120,526

Tax rate, 1936: General and debenture, 25.08; school, 14.67; total, 39.75 mills.

Total tax arrears, $450,059; last year's tax levy, $806,219; uncollected, $210,466.

Assets and Liabilities

Value of assets	$5,288,851
Total debenture debt	1,789,571
Bank loans	105,000
Other liabilities	144,182

Debenture Debt

	Debentures outstanding
Public utilities	$346,774
Local improvements:	
Ratepayers' share	57,303
City's share	44,759
General	469,275
School	287,130
Sarnia Elevator Co.	584,328
Total	$1,789,571

Public Utilities

	*Net earnings	†Net profits
Waterworks	$56,687	$12,906
Electric light	53,099	34,181

*After deducting operating expenses.
†After deducting operating expenses, interest and sinking fund charges.

• • •

Port Arthur, Ont., reduced its net debenture debt in 1936 by $241,781. Bank loans, on the other hand, increased by $51,149.

Tax collections improved, receipts of current taxes amounting to 85% of the levy, compared with 83.5% in the previous year. Collections of current taxes and arrears amounted to 104.3% of the levy.

The sinking fund is $237,235 in excess of requirements. The fund holds $77,000 of Alberta bonds which matured Nov. 1, 1936, and were not paid. A reserve equal to 50% of the value of the bonds in default has been set up.

Income and Assessment
Year Ended Dec. 31, 1936

Revenue	$1,034,661
Expenditure	1,037,775

Total tax arrears, $405,934; last year's tax levy, $993,317; uncollected, $149,280.

Assets and Liabilities

Total debenture debt	$5,086,264
Total sinking fund	2,754,626
Bank loans	524,431

Debenture Debt

	Deb's. outstand.	Sink. fund on hand
Public utilities	$2,399,186	$1,468,698
Local improvements	475,990	234,745
General	1,071,720	624,560
School	1,139,368	426,622
Total	5,086,264	2,754,625

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Zimmerknit, York Knitting Join Forces

Merger Plan Provides For Calling Bonds, Preferred Stock

NEW BOND ISSUE

A share for share exchange of common shares of Zimmerknit Co. for common shares of the parent company, York Knitting Mills Ltd. and redemption of present preferred shares and bonds of Zimmerknit Co. is proposed in a plan for the consolidation of the two companies. This exchange will only apply to common shares held by the public as York Knitting Mills will agree to surrender the 46,857 shares which it holds for cancellation.

Zimmerknit shareholders are notified of a meeting to be held on June 23, 1937, at which these proposals will be considered.

The plan, which is stated to have the approval of Zimmerknit directors, is intended to consolidate the operations of Zimmerknit Co. and York Knitting Mills, which at present controls the former company through ownership of 58.2% of outstanding common stock.

York Knitting Capital

In a letter to Zimmerknit shareholders, J. D. Woods, president, gives the present capital of York Knitting Mills as follows:

	Author. $	Outstand. $	Par $
7% cum. 1st pref.	150,000	150,000	100
7% cum. 2nd pref.	300,000	300,000	100
Common	550,000	488,400	100

It is proposed to change the York Knitting Mills capital to the following:

	Author.	Outstand.	Par
7% cum. 1st pref.	$150,000	$150,000	$100
7% cu. 2nd pref.	300,000	300,000	100
Common	300,000 sh.	*229,048 sh.	n.p.v.

*Calculated on the basis of an exchange of 40 new common shares for each present common share of York Knitting Mills and a share for share exchange for the 33,688 common shares of Zimmerknit Co. held by the public.

After the proposed changes in capital of York Knitting Mills, each 7% first preference share will have 40 votes, while the second preference and common shares will carry one vote. Zimmerknit shareholders would receive approximately 10% of the total voting power.

The proposals which Zimmerknit shareholders will be asked to vote on can be summarized as follows:

(1) Under the plan, the assets of Woods Underwear Co. Ltd. and Toronto Hosiery Co. Ltd., wholly-owned subsidiaries of York Knitting Mills Ltd., would be transferred to York Knitting Mills in consideration of the assumption by that company of the liabilities of the subsidiaries and an amount equal to the par value of capital stock then outstanding.

(2) The transfer of the assets of Harvey Knitting Co. Ltd. and Hosiers Ltd. to Zimmerknit Co. Ltd., in consideration of the assumption of Zimmerknit of the liabilities of such companies and the payment by Zimmerknit to each of the companies of an amount equal to the par value of the capital stock of such companies then issued and outstanding.

(3) If approved by the shareholders of Zimmerknit Co., to transfer the assets of Zimmerknit to York Knitting Mills Ltd. in consideration of: (a) funds to redeem the bonds, with accrued dividends; (b) assumption of all the other liabilities, including those of the subsidiaries; (c) to exchange the shares of Zimmerknit Co. Ltd. for shares of York Knitting Mills on a share-for-share basis (not including those held by the controlling company).

(4) The proposed date of the transfer is Aug. 3, 1937.

Call Bonds and Preferred

Zimmerknit Co. had the following stock and bonds outstanding at Dec. 31, 1936:

	Author.	Outstand.	Par
6% 1st mtge. bonds	$250,000	$250,000	
6% 2nd mtge. bonds	500,000	487,300	
7% pref.	250,000	250,000	$100
Common	100,000 sh.	80,545 sh.	n.p.v.

The plan provides for redeeming all bonds and the 7% preference stock. All of these are redeemable at par so that the amount required would be approximately $987,300, plus accrued interest and dividends.

To provide the funds needed for this purpose, York Knitting Mills has arranged with Wood, Gundy & Co. and Wills, Bickle & Cayley, Toronto, to underwrite an issue of $1 million first mortgage bonds.

In his letter to Zimmerknit shareholders, J. D. Woods, president, states that dividends will be more probable because of the higher per share earnings of the York Knitting Mills group. Economies in operating expenses and lower capital charges are also cited as advantages to be expected from the consolidation.

INVESTMENT OFFICER

Kenneth M. Pringle, director of The Dominion Securities Corp., Toronto, who this week becomes president of the Investment Dealers' Association of Canada for 1937-38.

Company Reports

Mexican Light & Power Co.

Mexican Light & Power Co. shows net earnings of approximately $1.8 million available for bond interest and sinking funds in 1936 compared with $2.2 millions in 1935.

Consolidated Income and Surplus Account
Years Ended Dec. 31

Earns. from operations:	1936 $	1935 $
Light and power:		
Govt. & munic.	780,598	714,030
Private & commercial	7,187,772	7,082,500
Miscellaneous	11,605	13,294
Gross oper. earns.	7,979,975	7,809,824
Less: Expenses	*5,755,604	*5,311,140
Net operating earn.	2,224,371	2,498,684
Less: Doubtful accts.	315,847	196,009
Add: Invest. income	21,957	28,378
Total net income	1,930,481	2,331,053
Less: Adminis. & gen. exps.	142,659	‡143,631
Total net earnings	1,787,822	2,187,422
Less: Bond interest:		
Mexican Lt. & Pwr.:		
5% 1st mtge., 1940.	479,329	493,036
5% 2nd mtge., 1968	580,718	615,707
Mexican Elec. Light:		
5% 1st mtge., 1942.	234,713	242,900
Pachuca Lt. & Pwr.:		
5% 1st mtge., 1967.	168,750	173,520
Sinking funds:		
Mexican Lt. & Pwr.:		
5% 1st mtge., 1940.	120,000	120,000
5% 2nd mtge., 1969	263,481	228,423
Mexican Elec. Light:		
5% 1st mtge., 1942.	60,000	60,000
Pachuca Lt. & Pwr.:		
5% 1st mtge., 1967	49,380	43,722
Net exch. differences	23,608	24,089
Net profit	‡192,157	186,025
Less appropriations:		
Int. on 6% deb. stock	711,036	711,036
Surplus for year	‡903,193	‡525,011
Add: Previous surplus	526,022	1,051,033
Surplus forward	‡377,171	526,022

‡Loss or deficit. *Including depreciation of $1,585,630 in 1936 and $1,582,392 in 1935.

Carleton House

Carleton House, Ltd., Halifax, N.S., shows a net loss of $57 for 1936, in spite of a reduction in revenue of $2,474 and after charging $3,000 for depreciation. The loss for 1935 was $2,791.

Interest on the $47,200 of 6½% first mortgage bonds has not been paid since 1932. Interest on the special 6% loan of $41,452 is also in arrears for the same period.

Income and Deficit Account
Year Ended Dec. 31, 1936

	$
Revenue	36,428
Less: Oper. expenses	36,495
Net loss	57
Add: Previous deficit	34,457
Deficit forward	34,524

Mexico Tramways Co.

Mexico Tramways Co., operating tramways in and around Mexico City, reports improvement in gross earnings due to higher passenger revenue but a larger increase in operating expenses. The deficit for the year was lower than in 1935 because special strike expenses did not recur.

Consol. Profit and Loss Account
Years Ended Dec. 31

	1936 $	1935 $
Car earnings	2,509,684	2,204,407
Misc. earnings	63,495	65,690
Gross oper. earns.	2,573,179	2,270,097
Less: Expenses	†3,117,873	†2,771,467
Net oper. loss	544,694	501,370
Add: Loss on exch., etc.	23,550	37,368
Exps. of strike	......	221,404
	568,244	760,142
Less: Net invest. inc.*	87,168	72,896
Net loss from oper.	481,076	687,246
Add: Admin. & gen. exps.	105,068	111,260
Deficit for year	586,144	798,506
Add: Prev. loss	7,206,396	6,407,890
Deficit forward	7,792,540	7,206,396

†Including charge of $300,000 for depreciation.

*Including profit on investments sold of $44,342 in 1936 and $20,267 in 1935.

Note:—Included in the above accounts are directors' fees of $16,000 in each year, and executive salaries and legal fees of $75,915 in 1936 and $79,188 in 1935.

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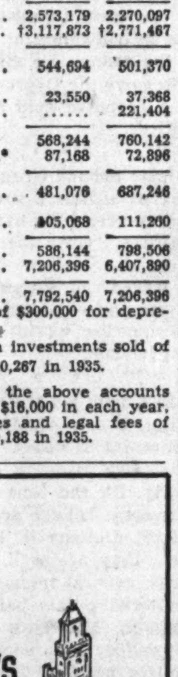

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Bond Sales

Paris, Ont.

Harrison & Co., Toronto, have purchased $10,000 of 3½% debentures from the town of Paris, Ont., by private sale. The debentures mature in from one to 15 years.

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Brantford, Ont.

The city of Brantford, Ont., has sold $135,000 of 3½% debentures to Harrison & Co., Toronto, by private sale. The debentures mature in from one to 15 years.

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Treasury Bills

The Bank of Canada has announced the sale of $25 millions of three month treasury bills at an average discount price of 99.83816. The average cost to the Dominion on this issue is 0.643%. These treasury bills will be issued on June 15, 1937, and will mature on Sept. 15. A summary of treasury bills sales to date in 1937, follows:

Treasury Bill Sales

Date	Amount $	Price $	Yield %
Jan. 15	25,000,000	99.816	0.747
Feb. 1	30,000,000	99.815	0.759
Feb. 15	25,000,000	99.811	0.776
Mar. 1	20,000,000	99.800	0.795
Mar. 15	25,000,000	99.797	0.805
Apr. 1	25,000,000	99.802	0.786
Apr. 15	25,000,000	99.808	0.771
May 1	20,000,000	99.813	0.749
May 15	20,000,000	99.818	0.715
June 1	20,000,000	99.829	0.678
June 15	25,000,000	99.838	0.643

• • •

Fabrique Saint-Vital

Fabrique Saint-Vital, Montreal, has sold an issue of $90,000 of 4% serial bonds to Societe Generale de Finance. The issue is offered at 100 to yield 4%.

• • •

Grand'Mere Schools

A. E. Ames & Co., Toronto, has bought an issue of $45,000 of 4%, 30-year serial debentures from Grand' Mere schools, Quebec. The issue was bought on a cost basis of 98.789 or 4.10%.

Bond sales of Halifax and other Maritime municipalities on page 24.

H. F. Wilkie Executive Of Distillers-Seagrams

From Our Own Correspondent

MONTREAL.—H. F. Wilkie, of Detroit, authority on distilling research and manufacture, has joined Distillers Corp.-Seagrams and will be elected vice-president and director, according to an announcement made in New York by Samuel Bronfman, president. He was with Hiram Walker-Gooderham & Worts.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Avon River Pr. D	5%	1964	July 1	103
Can Steamships.	5%	1943	Aug. 15	105
Mar. T. & T., A	5%	1956	July 1	104
Simpson, Robt.	5%	1952	July 1	105
Aluminium	*5%	1948	July 1	105
Asbestos Corp.	6%	1941	July 1	100
Do.,	3-3½	1937-8-9	July 1	...
Cred. Fon. Franco Can.	4½%	1956	July 1	100
Metropolitan Bldg.	7%	1944	July 15	103
La Comp. Gen. du Port de Chicoutimi	†5½%	Serial	July 1	102
Ottawa Tr., A	5½%	1955	July 1	103
Can. Cons Rub.	6%	1946	Oct. 1	110

*Bonds redeemed called by lot.
†Now Saguenay Terminals.

Stock Issues:				
Can. For. Invest.	†8%	pref.	July 1	105

†$100,000.

Religious Issues:				
Soeurs de Charité d'Halifax	6½%	1937	July 1	105
R. C. Bishop St. John	5%	1939	July 1	101
Hotel Dieu St.-Valier, Chicoutimi	5%	1937	Oct. 1	...

Bond Tenders

7 p.m., June 22, Drummondville—$232,900 as follows. $179,000, 4%, dated May 1, 1937, redeemable serially in 30 years; $53,900, 4% dated July 1, 1937, redeemable serially in 25 years. Raoul Heroux, treas.

6 p.m., June 17, Shawinigan Falls—$100,000, 3½% or 4%, dated May 1, 1937, due serially in 30 years. J. O. S. Brunet, sec.treas.

June 24, Charlottetown—$209,500, 3½% or 4%, 20-years.

June 18, Woodstock, Ont.—$75,000, 3½% 1 to 15-yr. serial.

Province of Ontario
3% Bonds
Due December 1, 1951
Price 96 and Interest

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TORONTO, JUNE 19, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

Death Takes No Holiday

THE war on the labor front in the United States seems to be conducted with bitterness, bloodshed and bombing such as have marked the miniature world war in Spain. News photos from different points across the line present an appalling spectacle of killing and wounding. How bitter the fighting is can be seen at a glance, just what the fighting is about is not so clear.

Settling labor disputes with machine guns, tear gas bombs, bricks and clubs is an old story in many American cities. Such riotous demonstrations have always been few in Canada but for that we cannot thank our numerous Communist agitators who have endeavored to turn every labor discussion into a fistfight and every strike into a war.

The great tragedy of the new leadership of John L. Lewis in American labor is his indifference to, in fact, his encouragement of, lawlessness and violence in industrial disputes. Ruthlessly ambitious, Lewis is apparently not unwilling to sacrifice any number of lives and eyes and limbs among his followers and the guardians of the peace if he can but ride to power.

That Canada is not witnessing a similar wave of criminal activity, of sacrifice of lives and destruction of property is due entirely to the determined stand against C.I.O. lawlessness taken by the Minister of Justice and the Premiers of Ontario and Quebec.

The Junior Becomes the Chief

EVERY junior who enters a Canadian bank carries in his pocket a key that will unlock the general manager's desk. Whether or not he will ever have a chance to use it depends upon himself.

Among the general managers and assistant general managers of Canadian banks, we can, offhand, think of only one who did not start in his institution as a junior clerk. The average age of their entering the service was 16. In nearly every case, the first ten years were the hardest; plenty of study and much hard work and a few minor promotions and salary increases. Then for the brighter ones came a promotion that really meant something and for the very keenest ones a series of rapid advances.

This has been the record of Robert Rae, new general manager of the Dominion Bank. It was just one new and interesting job after another, each one a step higher than the previous one, until the junior became the chief.

It is an unhappy circumstance that Mr. Rae's promotion came about as a result of the untimely death of Dudley Dawson, who was much too young to die. But that Mr. Rae was ready for the post is a circumstance for which both he and the bank are to be congratulated. For Mr. Rae, besides being a most competent banker, is a human, friendly, courteous gentleman and the public will learn to respect him just as do his staff and his friends.

How Great Is Mussolini?

WHAT is the test of greatness in a statesman? Many people rank Mussolini as the biggest figure of the post-war years. He is one of the most powerful. He has held on for an exceedingly long term. But would Mussolini survive if there were open elective competition for office in Italy and if the country had a free press?

Mussolini, like all dictators, thrives on the ignorance of his people. Can any man who lives by others' ignorance be regarded as a great statesman? Surely, one of the tests of greatness must be ability to command influence by honesty and candor.

Every once in a while extracts from Mussolini's secret instructions to the Italian press come to light. Here are some recent samples:

> "Jan 16. Give no news of the bombing of civilian populations by Spanish Nationalists; and above all deny that it was done by Italian or German aviators.
>
> "Feb. 28. Insist on the eventuality of Eden's leaving the Foreign Office. Have sent from London news of Eden's dismissal.
>
> "March 5. Suppress entirely news of the arrival at Naples of wounded volunteers coming from Spain.
>
> "May 10. Stress any unfortunate incident that may happen during the Coronation celebration; disparage the importance of the political conversations in London."

It doesn't take statesmanship to rule that way. It only takes brutal force and a conscienceless ambition. Yet on behalf of Il Duce it will be argued that his ambition is a national one; that he rules his people for what he believes to be their own good. Better, it will be said, is the tyranny of the benevolent despot than the blunders and hypocrisies of democracy.

Future of Ford Plants

ONE of the largest question marks arising out of the drive of the C.I.O on mass production industries is what the outcome will be of the struggle between the C.I.O. and the Ford Motor Co.

Barron Weekly makes two striking conjectures — that Henry Ford, rather than knuckle down to the C.I.O., will either close his plants indefinitely or vest ownership of the Ford enterprise in his workers.

The New York paper's argument follows:

> "What Ford will do is the big question. Rather than accept the union as bargaining agency for his men he might even close up his plants. He is not an opportunist. There is no compromise between right and wrong with him, and he is not convinced that the C. I. O. is right.
>
> "One suggestion is that he might turn over part ownership of the Ford company to his workers, thus killing any chances for labor organization. To support that possibility is the fact that Mr. Ford and his family have more than they will ever need—so much, in fact, that unless he should give the business away to thousands of people, a little to each one, gift or estate taxes would be certain to take a huge part of it anyway."

Capital Is Cows

THE J. Walter Thompson Company, an advertising agency, has produced "A Primer of Capitalism," written so that even the businessman can understand it. That is what distinguishes it from economic works by Marx, Pigou, Keynes and Robertson, who write books for their brother economists to argue about.

Economics is not an abstract theory, says the Primer: just a study of people trying to make a living. A cow is capital. We can kill it for its hide and meat or we can keep it for milk. (Which is to say we can consume our capital or earn an income from it).

The Primer sets forth two kinds of capitalism: private and state. Every country has a combination of both. In state capitalism the politician is king. Under private capitalism the consumer,—the citizen—is boss. Private capitalism and state capitalism are not enemies; they are or should be working partners.

The true aim of private capitalism is "a fair profit for capital; a fair wage for workers; a fair price, continually lowered, to create more consumers."

The J. Walter Thompson Company has an office in Montreal and another in Toronto. It would no doubt be glad to supply any businessman with a copy of the little primer of capitalism.

What Is Future of Interest Rates?

WHITHER interest rates? If the time-honored law of supply and demand were allowed free play, some definite idea of the trend could be visualized.

As increasing capital is required to finance growing business activity at higher prices and as revival in construction leads to additional mortgage loans, funds would be diverted from gilt-edged securities into other channels. The banks and financial institutions who occupy a dominant position in the investment picture, could more profitably employ their funds in direct loans. And consequently, bonds might find a market only at a lower price; or, expressing the same thing in another way, at a higher rate of interest.

From this line of reasoning, a gradually rising trend of interest rates might be anticipated. But it would be a very gradual process. Despite improvement in industry, a huge volume of money remains in the hands of investing institutions, which may well act as a drug on the market.

Avenues of investment other than securities are still exceedingly narrow in comparison with the volume of money available. It is unlikely, for instance, that the chartered banks will be in a position to liquidate any material part of their holdings for quite some time. Rising demand for commercial loans probably will result merely in stemming the tide of new purchases of securities.

There is now a much more important phase of the interest rate problem to be considered, however. Apparently the days when demand and supply were permitted to exert the determining influence on money markets have disappeared for some time. Money management, in some form, is here to stay. And in the final analysis, management rests with governments. Thus the future of interest rates rests largely upon government policy, not in Canada alone, but to an even more pronounced extent in Great Britain and the United States.

Until comparatively recently, the policy adopted by most nations was dictated by immediate considerations. In Canada, the Government has encouraged a cheap money policy in order to maintain national solvency. Depression expenditures have pyramided an already enormous debt structure, and reduction in carrying charges has been imperative. Such has been the experience in most other countries as well.

With business once more on the upgrade, a longer range view is being adopted. It is widely accepted that the time to prevent, or to mitigate, a slump is before it starts—during a boom period. In other words, control over business and speculative activity should be exercised to iron out the swings of the business cycle. One measure of control is the rate of interest.

Thus there is a conflict of objective on the part of governments. On one hand, they would like to keep interest rates as low as possible to obtain the benefits of reduced carrying charges on debt. On the other they are now managers of money and responsible for the sane conduct of business and investment affairs.

On balance, it is likely that economic laws and money management will ultimately have to steer the same course. The outlook is for higher interest rates, but the pace will be slow.

So Easy Is Social Credit

IT IS only "pernicious propaganda," this idea that Social Credit cannot be implemented. For that we have the word of P. J. Rowe, M.P., who is co-author of a pamphlet designed to show how simple it is to set up a Social Credit system in Alberta.

Of course, there are a few necessary conditions that must be fulfilled. Alberta has to become a self-contained economic unit; with its own currency system and "control of all imports and exports." The province has to be industrialized; it has to build up export trade. Standards of living have to be raised. Prices and wages have to be controlled. These are the chief conditions.

In brief, Alberta has to secede from Canada, and become not only a nation but an autarchic nation under an all powerful dictator. It will need a Mussolini to command the people, a Hjalmar Schact to control their economic destiny, and a new breed of citizens willing to be the white mice of the experiment.

It's all too silly for words.

Editorials in Brief

With Clark Gable appearing as Parnell, why not try out Shirley Temple as Queen Victoria?

• • •

With pomp and ceremony The Globe and Mail, Toronto, has inaugurated a "Flying Newsroom." Where is the one it inaugurated two months ago?

• • •

The Daily Clarion, Toronto's Communist daily, advises its readers to hold their C. P. R. stock. But that would make them **capitalists,** wouldn't it?

• • •

The Windsor Star says that Mr. Bennett is the Dizzy Dean of Canadian politics. But for those who do not follow baseball it should be pointed out that Dizzy Dean is not Dizzy and he is not a Dean.

• • •

Canada has two internationally famous Drs. Dafoe. One witnessed the birth of the League of Nations; the other the birth of the quintuplets.

We wish Dr. Allan Roy Dafoe better luck with his charges than Dr. John Wesley Dafoe has had with his pride and joy at Geneva.

• • •

We heard a man the other day remark of a certain famous industrial president, "He'll always be remembered for one thing: he brought his company's shares within reach of his workmen."

This comment probably had best be filed under the heading of "doubtful compliments."

• • •

Quoting the aphorism "Taxes are what we pay for civilization," President Roosevelt says "Too many individuals, however, want the civilization at a discount."

There isn't much chance of their succeeding so long as President Roosevelt controls the political spending in the United States.

• • •

> "It seems an odd thing to say, but I think that if a rise in general prices sets in, it will not be because of changes in the paper price of gold."—*Stephen Leacock.*

It seems an odd thing for Prof. Leacock to say after all the money he made out of his book "How to Remove the Depression in Six Months," wherein he proposed gold revaluation as a way to raise prices.

• • •

Dr. Hjalmar Schact, German Minister of Economics, warns against a premature World Economic Conference. "We have to know what we want," he says. "Only then is there chance of success."

It is a tragedy of statesmanship if 19 years after the war and eight years after the onset of the depression the world cannot make up its mind what it wants.

• • •

Robert Rae, new general manager of the Dominion Bank, is only 47. But he has been with his institution for 31 years.

Most Canadian bankers start their business careers early. By the time they reach the age when the average college graduate is going from door to door, diploma in hand, looking for a junior's job, they are well established.

Most bank general managers have served in widely scattered points before achieving their final promotion. Mr. Rae's experience has covered less territory than some, but he has occupied executive posts in Toronto, Montreal and New York, which takes in quite a bit of territory.

Sayings of the Week

"All I ask is a fair chance."—*Premier Aberhart.*

• • •

"A great Empire and little minds do not go well together."—*Sir Thomas Inskip.*

• • •

"I am a reformer but I am not a Mackenzie King Liberal any longer." — *Premier Mitchell Hepburn.*

• • •

"Goods produced under conditions which do not meet rudimentary standards of decency should be regarded as contraband."—*President Roosevelt.*

• • •

"A nation will make real progress only by directing its efforts to better breeding, training and educating a new generation." — *Roger Babson.*

• • •

"My record does not include pig-headed obstinacy. I can get a larger amount in a better way."—*Rt. Hon. Neville Chamberlain on withdrawal of profits tax.*

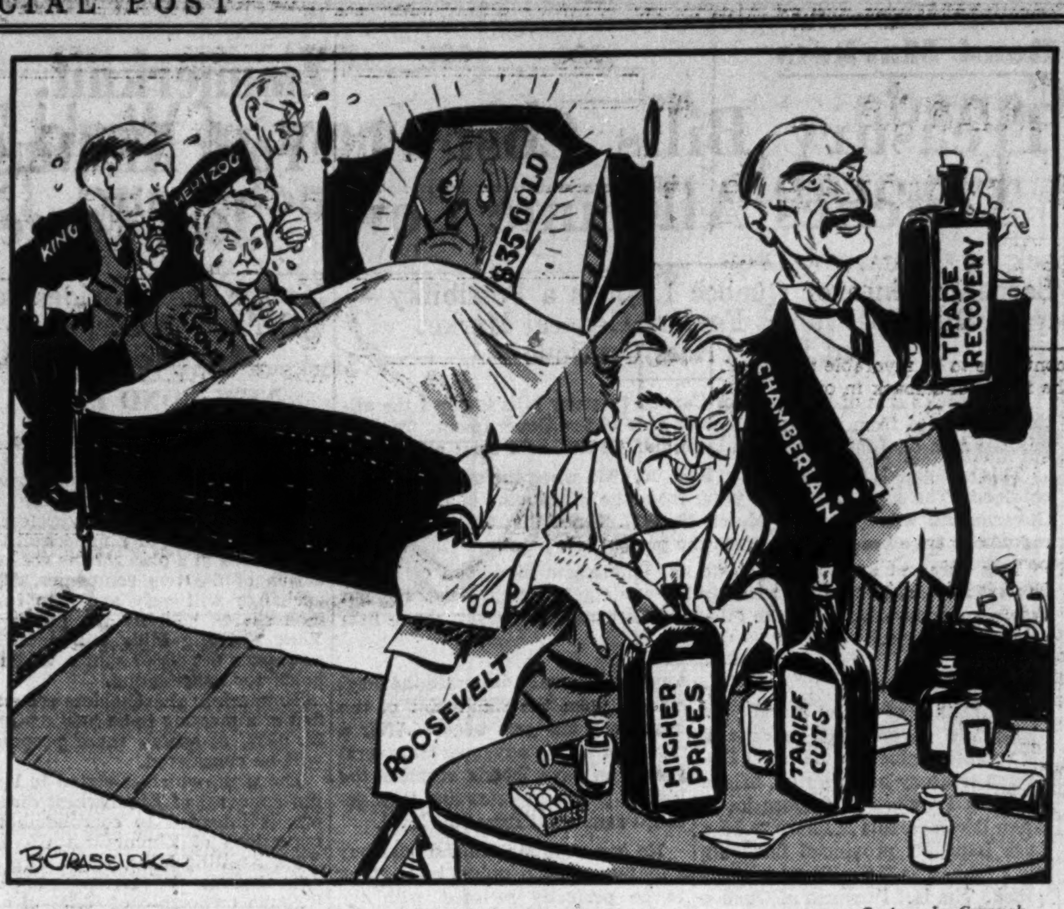
• • •

"It is a time for both employers and employees to exercise tolerance, calm judgment and common sense and to sit steady in the boat."—*Hon. W. D. Euler.*

• • •

"This is the only government in the Dominion of Canada that is not increasing its debt."—*Hon. Solon E. Low, Alberta, provincial treasurer.*

"Isolation and antagonism have not come to such a pass that the situation cannot be remedied."—*General Smuts.*



—Cartoon by Grassick.

THE ANXIOUS RELATIVES: "Those doctors are an unconscionably long time making up their minds."

World-Girdling Reciprocity . . .

The United States News,
Washington

The United States is encircling the world with reciprocal trade agreements.

In the three years, ending June 12, since Congress authorized the making of such pacts, 16 have been concluded. These are with countries whose trade with the United States accounts for more than one-third of its total exports and imports.

In addition, negotiations have been begun, or the way is being prepared that they may be begun, with at least 12 other countries.

In the three years ahead—the extension of the authority to make these agreements ends on June 12, 1940—the "Yankee traders" hope to sign a reciprocal pact with nearly every nation with which the country has commercial relations.

Proven Good Business

Fourteen of the sixteen agreements already concluded were in operation during part or all of 1936. Those with Costa Rica and El Salvador were signed in 1937.

Department of Commerce figures show that American trade with agreement countries in 1936 increased to a greater extent than that with non-agreement nations.

Sale of American goods to nations that are parties to reciprocal pacts expanded 14% during 1936 over 1935, while exports to the other foreign markets showed only a 4% gain.

At the same time, the value of the goods imported from trade agreement countries mounted 22% in 1936 over 1935 figures. A 16% increase was noted in the imports from elsewhere.

The reciprocal trade agreement programme has two main purposes. First, to expand trade in the interest of a more abundant economic life for as many people as possible. Second, a purpose that results from the first, to strengthen the foundations of peace by lessening the economic tensions and pressures that create war.

When the programme was undertaken by Secretary of State Hull, in 1934, America's foreign trade had shrunk to one-third its 1929 level. Hard times, resulting in part from barriers to the flow of trade, and, at the same time, causing such barriers to be erected, were responsible.

American economy is geared to supply export markets. For example, according to the Department of Commerce figures, in 1936, 56% of all cotton produced in the United States was exported, 11% of all the industrial machinery, 55% of the gum rosin, 7% of the lumber and timber, 12% of the radio apparatus, 8% of the automobiles, 23% of the office appliances, 48% of the prunes and 29% of the aircraft.

The full-time services of some two million American workers are needed to produce goods for export.

Reciprocal trade agreements are used to open markets abroad for American goods. This is done through gaining tariff concessions from the countries with which such pacts are made.

Concessions Granted

At the same time, however, this country must give something in exchange. This is in the nature of tariff concessions on imports from those same countries. Another reason why the United States has to increase imports is to give foreign debtors the opportunity to meet some of their obligations to this country in the form of merchandise sales here.

The trade agreements programme is carried out in such a way as to open trade channels not only between the United States and the country with which it makes an agreement, but others as well. Each pact (except that with Cuba) contains a most-favored-nation clause, generalizing to third nations the trade concessions that are affectuated.

Only two nations are denied these benefits—Australia and Germany. They discriminate against American trade.

So important have these trade agreements become as instruments for fostering peace that Cordell Hull, their originator and chief sponsor, has been prominently mentioned for the Nobel prize. But the Secretary of State has asked that his name be withdrawn from consideration. The President is being mentioned for the same honor.

The British Problem

Of the reciprocal trade agreements yet to be made, that with the United Kingdom, America's best customer, looms as the most important.

Washington, therefore, is watching the present Imperial Conference in London for two main reasons. First, to see whether traditional Empire preference is modified so that a satisfactory agreement might be reached with Great Britain. Second, to see whether the way may be cleared for agreements with other members of the British Commonwealth of Nations, except Canada, with which such a pact has been in operation for more than a year.

New Books

IN DEFENSE OF CAPITALISM. By J. H. R. Cromwell and H. E. Czerwonky. Published by Chas. Scribner & Sons, New York. Price $3.50

"In Defence of Capitalism," despite its title, is not so much a defence of Capitalism as it now exists as it is an attempt to design machinery which will eliminate recurring depressions.

The authors start from the hypothesis that true Capitalism is not dead because it has never lived. The system is likened to a three-wheeled vehicle, the wheels bearing the respective titles of production, distribution and consumption. Unfortunately the distribution wheel, by which is inferred money, is not geared to the other two. As a result, whenever a load is placed upon the vehicle, the distribution wheel collapses.

That this happens is due, they contend, to lack of positive means of providing and controlling money on the part of monetary authorities—in the United States, on the part of the Board of Governors of the Federal Reserve System. They hold that creation of new money is essential to finance the increased flow of goods arising from investment of savings in productive enterprise, to replace hoarding and to provide for whatever increases in the "flow of goods" may accrue from foreign investment.

Consequently, they propose that additional powers be conferred on the Federal Reserve governors to provide for the creation of this new money. They suggest that the Board be empowered to act as a bank of issue—make grants to the treasury; that it be enabled to permit commercial banks to create new money by regulating reserve requirements for member banks; and that it induce the commercial banks to create new money by subsidizing bank loans. The second of these would be the major instrument of credit expansion, with the others used in a supplementary capacity.

Most readers will agree with the authors that distribution is the major problem of the day. Many will support their contention that monetary control has now become perhaps the most important phase of that problem. On the other hand, money management is a relatively recent development. In the last few years money managers have been equipped with more tools than they ever had before. Their complaint now is that they do not know how to use them. They are not complaining about a lack of tools, but they frankly admit that having the power to manage money and the ability to do so are very different things.

Apart altogether from the validity of the arguments forwarded by the authors of "In Defence of Capitalism," the book makes no effort to explain how existing regulatory powers could and should be used. It simply offers three "new" tools of management, the major one, control of member bank reserves by the Federal Reserve system, having been utilized in recent months in the opposite direction to that proposed. It will be recalled that reserve requirements in the United States have been increased to reduce danger of inflation.

The senior author, Mr. Cromwell, is an aggressive young American financier struggling against the handicap of great wealth to think for himself and write for the masses. A son of a wealthy woman, step-son of Morgan partner E. T. Stotesbury and husband of multimillionairess Doris Duke, he has had the courage to criticize analytically the economic and social system which cast him up on shores of plenty.

Crystal Gazers . . . . . .

The Financial World, New York

Within a month we have been definitely told by two men who have acquired some public following as a result of the successful outcome of previous predictions, what may be expected of the future. One of them is Major L. L. B. Angas, the London stockbroker who has established himself here as an investment counsellor at Coronation prices, and who is the author of "The Coming American Boom" and "Slump Ahead in Bonds." Only a few weeks ago he publicly urged investors to "Be Bold and Buy." The timing of this advice was unfortunate, for the general stock price level has since taken a nose dive, which only goes to establish the fact that no prophet can gauge mass psychology.

Now comes along General Charles G. Dawes, former vice-president and himself a banker, who has charted our unexplored economic horizon. From its stars he reads the ominous picture of a new and sharp depression in 1939. The General was right several years ago when he expressed an opinion that there was a boom ahead for the durable industries. With our Government committed to spending nearly nine billions on priming our industrial pump it did not need any gift of prophecy to visualize the effect this opiate stimulant would have on business.

Confronting a hazy firmament as we do now, reading the future with a spy glass of certainty is indulging in rather dangerous pastime, especially when we consider that no longer do the fundamental economic laws have any influence in charting a sound course of judgment. They have been replaced by the new school of thought that everything can be kept under control by human management.

If they wait long enough, Angas' advice to buy stocks will be vindicated, and Dawes will have his depression, for the pendulum eventually will swing in each direction. But in the meantime those who have bought boldly have suffered at least temporary losses, which does not make them feel any too good. And those who set their course for a depression in 1939 may miss it by several years. Who can tell?

The prudent man does not profess to be a crystal gazer, but prefers to set his sails in accordance with the direction in which the economic winds are blowing.

Foreigners In Spain

There are probably 7,000 to 8,000 official Germans in General Franco's insurgent Spanish army and about 30,000 official Italian soldiers. The majority of his army—300,000 to 400,000 men—are Spanish. So declares Sir Walter Maxwell-Scott, retired major-general of the British army, in an interview in New York the other day.

On the other side there are about 16 international brigades or perhaps 100,000 men fighting for the Government, according to an estimate made by Sir Walter after a recent trip around General Franco's lines. He said:

"I look up on General Franco as the champion of Christianity against Communism in western Europe. Franco told me 'No protestant in Spain will ever be molested for his religion'."

"The insurgent revolt of July, 1936, was in self-defence because a red revolution was set for July 29.

"The marvellous lesson of this war is to show the enormous power of modern propaganda and how cleverly it has been done."

Premier Again

VANCOUVER.—Returned for another term as Premier of British Columbia, Thomas Duff Pattullo has had a career distinguished by variety.

He started out as editor of a newspaper in Guelph, Ont., went to the Yukon as secretary of the first territorial commission, and helped to smash a corrupt political machine that held office shortly after the "rush" years. Later he drifted to Prince Rupert, where he became interested in the railroad, land and general expansion boom following the building of the Grand Trunk Pacific.

Jaunty and dapper, given to playing hunches and displaying a stubbornness that has carried him over many a political barrier that might have daunted a less resolute man, Pattullo entered provincial politics in 1916. That was the year of the Liberal landslide under the late Harlan Carey Brewster. He has been returned at Prince Rupert in every subsequent election.

He is the type of politician who plays a lone hand, has few close friends, refuses to join lodges and fraternal organizations of any kind. Although long a member of Victoria's exclusive Union Club, he enters the place only a few times during a year, and then briefly.

Stop Me If You've Heard This One . .

In a city office the following encouraging notice to ambitious young employees is on view:

"Work hard for eight hours a day and don't worry; then in time you may become a boss and work eighteen hours a day and have all the worry."

In The Mail

(Not over 200 words, please)

U. S. Labor Direction

Editor, The Financial Post,—

Your issue of May 29 quotes Niagara Falls Evening Review in part as follows:

> "Premier Hepburn deserves the support of all good Canadians in his fight to prevent domination of Canadian industry by the C.I.O. There is no reason why Canadian workers should be ruled from a foreign country . . . No one but a person ignorant of our status would suggest, as did Homer Martin, the U. S. Supreme Court decision on the Wagner Labor Relations Act is effective in Canada."

In regard to Canadian workers being ruled from a foreign country I would like to draw attention to the following facts taken from the 1935 Annual Report on Labor Organization:

> "The authority of the American Federation of Labor to deal with trade matters as they effect International Organizations on the North American continent is fully conceded by the Trade and Labor Congress of Canada, which accepts without question the decisions rendered by the Federation."
>
> "The Trades and Labor Congress of Canada accepts the prerogative of the American Federation of Labor in adjudicating upon trade union and jurisdictional controversies, and concedes also to the Federation the authority to charter Federal labor unions in Canada, other than those composed of public service employees, and for which there is no International Craft organization."

From the above it can readily be seen that Canadian industry workers are, and in fact have been for many years, "ruled from a foreign country." Homer Martin's statement is merely one way of telling us that any act or measure in regard to labor which is agreeable to American labor unions will be made effective in Canada by the international organizations now controlling or "dominating" Canadian industry workers.

The only difference between the C. I. O. and the A. F. of L. is that the former is organizing on an up-to-date method while the latter still insists on "craft organization."

However, there is no reason whatever why either body should exercise its control in Canada. Premier Hepburn and others who are really interested in the autonomy of Canadian workers should not take sides as between these two groups but should render every possible aid to those Canadian unions who are now endeavoring to rid Canadian industrial workers of "foreign domination."

This Federation of Canadian Transportation Employees has recently been registered under the Trades Union Act for the purpose of throwing off foreign control, insofar as transportation employees are concerned, and will welcome correspondence with and the co-operation of all interested persons or unions.

Federation of Canadian Transportation Employees,
F. W. CRAWFORD,
General Secy.-treas.
Vancouver.

Post-Scripts

Theory of Limits

Prof. Bertil Ohlin of Sweden told a story to the Canadian Club of Montreal.

It was the story of a professor who was trying to explain the theory of limits to his class. He did not seem to get it across very well. He, therefore, took a concrete example. He said to Mr. Jones:

"Assume that you put on your best clothes to go to call upon your best girl. There you are in one corner of the large room and your girl is in the opposite corner. You advance half way to the girl. Then you go half way again. Then you make another halfway advance, and so on. You understand? Theoretically, you would never reach your girl."

Mr. Jones scratched his head for a moment. Then he replied: "But I would get close enough for all practical purposes."

By Inference

"The trouble with economic discussions is that one can rarely see things directly. One must judge them by inference or effect. Often an economic event is almost past before one can see the causes."

So said Sir Josiah Stamp in an address to the Canadian Club in London, Ontario. He illustrated his point with this story.

A man in the witness box told of the beautiful face and figure of a woman walking along the street in front of him. Counsel interrupted him:

"You say that you did not see the woman's face and that she was bundled up in furs yet you swear that she was a beautiful woman with a striking figure. How do you know that?"

Quietly, the witness replied, "I was watching the faces of the men who were coming toward us."

Two Kinds of Plays

An editor met Sir James Barrie, the famous author of "Peter Pan" and other notable contributions to English literature, at a dinner, and was fortunate enough to be placed next to him at the table.

"Sir James," he said in the course of their conversation, "I suppose some of your plays do better than others. They are not all successes, I imagine."

Barrie leaned toward him confidentially. "No," he said, his eyes twinkling, "some Peter out, and some Pan out."

Other People's Views . . . .

Tribute to Hepburn

Goderich Signal

When one reads the record of death and destruction in the United States resulting from C.I.O. activities, he has reason to be thankful that in Ontario a watchful Premier has set his face against the organization responsible for so much trouble across the line.

Week in Business

Business in Canada Continues Favorable

No Reflection of U. S. Setback — Commodity Drop Stabilizes Prices — Cool June Affects Clothing, Beverage Sales

Tone of general Canadian business continues to be favorable this week. The sharp drop in the United States, the first real setback in over a year, finds no reflection here. Carloadings continue to register gains over 1936 and this in the face of a very much restricted wheat movement. Practically all new freight added in recent months has been of a category definitely indicating bigger movement of general merchandise.

• • • •

Decline in American business during first part of June is largely attributed to strike troubles in the independent steel plants. Tie-ups have cut down production sharply and consequently affected carloadings. Long term outlook in United States, however, continues generally favorable though declining commodity prices have added some uncertainty.

Such uncertainty is not expected to be transferred in the same degree to Canada. Manufacturers here as a rule were less eager to follow leadership of American prices upward when raw materials soared six months ago. Higher costs, with a few notable exceptions, were not fully transferred to the prices of finished goods; hence, the same adjustment is not needed now that commodities are lower.

This conservative policy has tended toward more stabilization in Canadian prices generally and should undoubtedly encourage more normal purchasing and inventories for fall and winter trade. However, general weakness in the commodity market will probably prevent a repetition of that speculative buying which was reported last winter when commodities were on the way up. It may therefore tend to restrict purchasing of semi-manufactured products such as lumber, steel, textiles and rubber, in the next few months.

• • • •

The week has witnessed no spectacular developments which would tend to divert general business either up or down. Cool weather so far has held back sales of summer wearing apparel and beverages in most parts of the Dominion. Most other lines of retail distribution, particularly hardware, paints, gasoline and furniture, continue on slightly higher levels than a year ago.

By areas Canadian business is well ahead of 1936 in the Maritime Provinces, about the same in Quebec and Ontario, slightly better in Manitoba and Saskatchewan, poorer in Alberta though recently improving with crop prospects, and much better in British Columbia.

Business Indicators

Railways — Carloading, gross earnings of both main lines continue upward movement which has been in continuous progress for well over a year.

Grain exports—Export of wheat down sharply in May for simple reason that Canada's carryover now at lowest point in 10 years, whereas a year ago Wheat Board was busy liquidating greatest surplus of all time for this country. Flour exports also off due to increased competition from English mills in Great Britain, West Indies and Newfoundland.

Oil—Crude petrol imports up, but cumulative for years still running slightly behind 1936.

Current trend in Canadian business is shown by The Financial Post's index of business activity, with new figures for the week marked▲.

	Latest		Jan. 1 to date	
	1937	1936	1937	1936
Transportation—				
Car loadings (June 5)	▲48,265	44,961	1,042,247	967,138
C.N.R. gross earn. (June 7)	$ ▲3,732,134	$ 3,384,151	$ 82,636,844	$ 74,105,819
C.P.R. gross earn. (June 7)	$ ▲2,575,000	$ 2,387,000	$ 57,891,000	$ 53,471,000
Business Conditions—				
Weekly index D.B.S. (June 5)	▲110.6	103.6	......	......
MONTHLY DATA				
Business Conditions—				
Financial Post index (Apr.)	119.7	107.7	......	......
Transportation—				
C.P.R. net revenue (Apr.)	$ 1,848,410	$ 1,337,457	$ 5,490,823	$ 4,165,161
C.N.R. net revenue (Apr.)	$ 2,249,015	$ 1,455,306	$ 4,566,511	$ 1,532,047
Iron and Steel (April)—				
Pig iron production (tons)	68,138	54,045	267,519	226,141
Steel ingots and castings prod. (tons)	121,426	107,220	473,590	401,902
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (Apr.)	16,070	17,330	46,771	35,928
Factory output (Apr.)	12,927	20,247	61,664	56,849
Trucks and Buses:				
Domestic sales *(Apr.)	3,839	3,465	10,505	7,702
Factory output (Apr.)	4,154	4,704	19,608	12,693
Exports (Apr.)	5,753	3,740	22,603	22,558
Construction—				
Building permits (Apr.)	$ 6,098,036	$ 3,237,366	$ 16,568,165	$ 8,829,837
Contracts awarded (May)	$ 24,170,500	$ 14,962,800	$ 80,006,200	$ 56,905,100
Newsprint (tons)—				
Production (Apr.)	298,347	258,721	1,162,680	952,145
Exports, tons (Apr.)	252,790	192,893	1,030,212	818,418
Sugar (lb.)—				
Melting & sales§ (raw)	91,836,204	92,560,733	219,613,790	207,081,288
Manufactured§	87,559,375	86,330,367	209,735,216	199,940,805
Flour (bbls.)—				
Production (Apr.)	1,051,564	1,009,464	4,158,432	4,182,210
Wheat flour exports (May)	▲348,366	448,653	1,686,712	1,861,001
Trade—				
Retail trade (index no. of sales) (April)	78.3	70.3	......	......
Imports (April)	$ 56,891,072	$ 42,217,004	$ 228,444,561	$ 177,085,771
Exports (April)	$ 66,907,258	$ 57,964,176	$ 315,373,497	$ 260,088,149
Wheat exports (bus.) (May)	▲8,026,507	27,316,983	31,543,967	68,834,021
Employment D.B.S. Index (May 1)—				
All industries	106.3	99.5	......	......
Manufacturing	113.8	102.7	......	......
Electric Power Output (Apr.)—				
Total monthly m.k.h.†	2,322,884	2,164.628	9,199,627	8,329,743
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (April)	101,079	107,949	327,685	417,604
Boot & shoe prod., pr. (Apr.)	2,219,297	2,065,587	8,017,938	7,525,384
Crude petrol. imp. gal. (Apr.)	▲56,307,660	54,142,896	213,849,975	220,312,360
Cotton imports, lb. (Mar.)	15,462,512	13,558,113	42,770,417	45,221,720
Raw rubber imp., lb. (Apr.)	3,009,070	2,416,012	15,363,473	14,662,625
Coal imports, tons (Mar.)	623,071	506,260	1,684,476	1,489,780
Cigarette cons. (Apr.) No.†	550,549	420,753	1,851,597	1,466,318
Finance—				
Bank debits (Apr.)†	$ 3,376,201	$ 2,773,756	$ 12,525,327	$ 11,132,084
Bond sales (May)	$ 159,107,054	$ 50,493,782	$ 594,589,785	$ 566,454,287
Life insurance (Apr.)	$ 32,919,000	$ 28,876,000	$ 123,220,000	$ 121,609,000
Automobile Financing (Apr.)—				
Used cars	$ 4,635,932	$ 2,897,812	$ 9,724,776	$ 6,644,988
New cars	$ 5,006,159	$ 4,267,363	$ 12,099,391	$ 8,615,890

*D.B.S. All-Canada figure comprising over 90% of the Canadian total. †000's omitted. §For 4 weeks to May 22.

Southern Kraft Corp. Plans New Pulp Mill

From Our Own Correspondent

MONTREAL. — Southern Kraft Corp., subsidiary of International Paper and Power Co., has decided to establish a new kraft mill at Spring Hill, Louisiana. Construction will start immediately and is to be completed by the beginning of 1939. The minimum cost of the mill will be $6 millions and it may eventually go up to $12 millions.

To attract the company to Louisiana, the properties will be property tax free for a period of 10 years. Southern Kraft's new mill will be the largest in the South with an annual capacity of 220,000 tons of kraft paper, pulpboard and similar products.

Railway Earnings

Canadian National Railways

	1937	1936	Increase
April	$	$	$
Oper. rev.	17,056,398	15,041,771	2,014,627
Oper. exps.	14,807,383	13,586,465	1,220,918
Net rev.	2,249,015	1,455,306	793,709
Four Months			
Oper. rev.	62,033,587	55,321,542	6,712,045
Oper. exps.	57,467,076	53,789,495	3,677,581
Net rev.	4,566,511	1,532,047	3,034,464

Canadian Pacific Railway

	1937	1936	Increase
April	$	$	$
Gross earn.	11,870,019	10,580,235	1,289,783
Work. exps.	10,021,609	9,242,778	778,831
Net earn.	1,848,410	1,337,457	510,952
Four Months			
Gross earn.	43,537,100	39,864,228	3,672,872
Work. exps.	38,046,277	35,699,067	2,347,210
Net earn.	5,490,823	4,165,161	1,325,662

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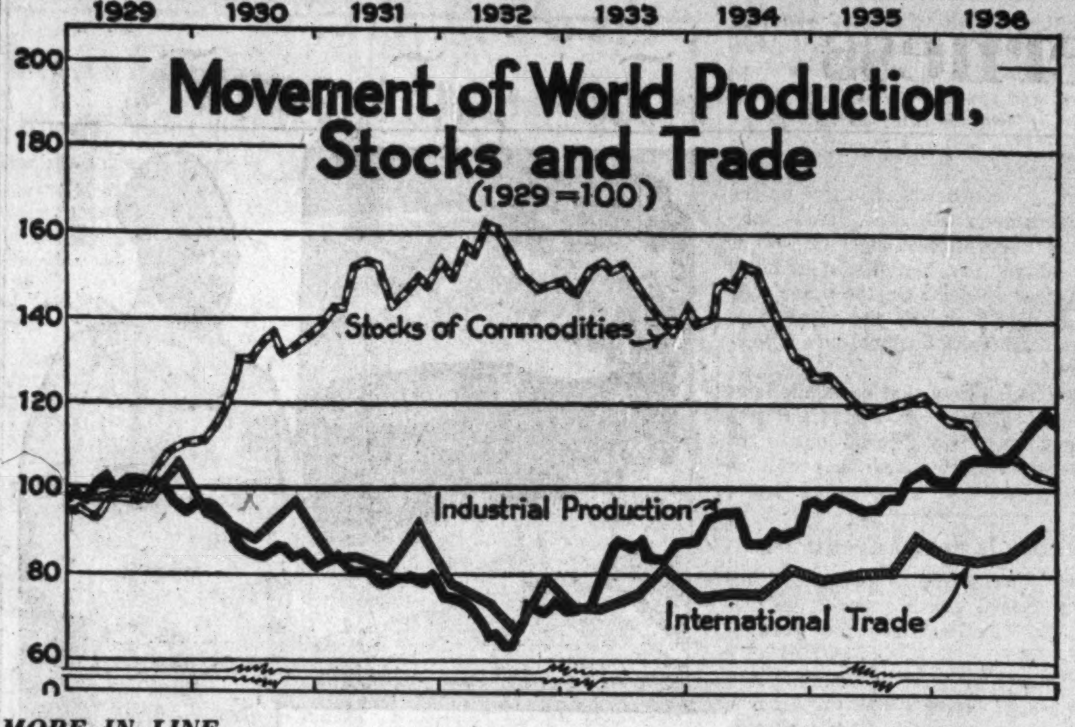

MORE IN LINE

Stocks of world commodities, which during the recent depression accumulated to unparalleled proportions, have now been brought into line with industrial production. The third partner in this firm of world business, international trade, is, however, still lagging behind though showing improvement. The chart is taken from the recently issued report of the Bank for International Settlements.

Background of Business

Chain Store Wages

Average wages of male employees in grocery and combination chain stores in Canada, according to the Dominion Bureau of Statistics are $17.20 per week. The range runs from $9 to $25 for the 7,000 odd employees engaged. Employees in the chain meat market average almost $3 per week higher.

Wages generally improve as the survey moves from east to west, from Quebec, where the average is just under $14. Ontario averages $17.85, Manitoba, Alberta and British Columbia, slightly over $20. Saskatchewan is just about the same as Ontario. Wages in Maritime chain stores average about $16 per week. Average wage of the 1,100 female workers in chain food stores is slightly over $13.

• • •

Still Burning Coffee

While Canada has quietly liquidated her wheat business, coffee producers in Brazil have not been quite as fortunate. Higher prices recently, however, have materially boosted returns from that portion of the crop sold. Coffee stocks at the end of March were almost 14 million bags (132 lb.) which with the current crop brought the total up to 40 million bags. It is planned to destroy practically 70% of the new crop in order to permit the carryover to be marketed and to clean out all stocks by June 30, 1938. Authorities in Brazil are urging that trees be cut down as a cheaper means of controlling production than permitting the crop to mature and be harvested first.

• • •

National vs. Private Brands

Rivalry between national and private brands of merchandise is creating certain definite trends according to a survey of Prof. Albert Harind of Lehigh University. The most pronounced development is the general fall in the level of prices of national brands which have usually ruled considerably higher than those of the privately packaged products. Probably of more significance, however, is the tendency for manufacturers of national brands to limit distribution to outlets with similar costs. In this way they prevent a variation in price and cuts by large purchases at special discounts.

Manufacturers of national brands, too, have eliminated inefficient lines which seldom held their own against private brands. Sales promotion campaigns have been carried on with the object of encouraging distributors to carry only one brand or a very limited number so that competition within the retail store is eliminated. In some cases manufacturers are seeking to control outlets through ownership or operation of co-operative agreements. The war between the two types has led to a much closer co-operation between manufacturers and distributors and has also resulted in a steady increase in the amount of private brands business done by chain, department stores and other large retail operators.

• • •

Carloadings Fall in U.S.

June carloadings in United States have shown more than the usual decline at this time and strike troubles are blamed. The falling off is more pronounced in the industrial east than elsewhere and apparently has occurred most sharply in those areas interested in steel and coal. The decline is chiefly disturbing not for its size, but because it is the first reversal of the kind in many months. Preliminary figures indicate total carloadings of approximately 685,000 for the first full week in June as compared with slightly under 696,000 a year ago. The previous week, however, represented the peak movement of the year to date. There is no indication yet of a similar trend in Canada where carloadings have been running consistently higher than a year ago.

• • •

Plenty of Pork

Stocks of all types of pork in Canadian cold storage have been holding much higher than a year ago. At June 1, total was well over 60 million pounds as compared with 40 million a year ago. The June figure, however, shows a considerable decline from May, indicating that reserves are being gradually liquidated.

Beef stocks of five millions, on the other hand, show a considerable decline from a year ago and are fully three million pounds below those of May 1. Practically no change is reported in cold storage figures of lard, and veal. Lamb is down, but is considerably ahead of figures last year.

• • •

Using More Ethyl

A steady rise in the percentage of Ethyl or leaded gasoline by motorists all over the North American continent is reported in a survey by Ethyl Gasoline Corp. A parallel trend in compression ratios of automobile engines is noted indicating that motor car owners are turning more to premium fuel as engine efficiencies increase. Sales of Ethyl gas rating 76 octane or higher increased from just under 560 million gals. in 1934 to almost 800 million gallons last year.

Wentworth Radio Showing Better

Working Capital Shows Improvement — Still Has Deficit

Wentworth Radio & Auto Supply Co., Hamilton, Ont., reports net profits of $1,324 for the eight months ended Dec. 31, 1936. While the showing is better than for the preceding 12-month period, the report does not indicate whether the improvement is due to exclusion of four winter months. The company's year-end has been changed from April 30 to Dec. 31.

An improvement of over $5,000 in working capital is shown. The company still has a deficit which, apart from the small amount of earnings reported recently, prevents any dividend payments.

Balance sheet changes are of minor importance. The auditors certify the balance sheet subject to qualification as to a value of $50,000 placed on the company's investment in 4,000 shares of Wentworth Radio Broadcasting Co.

Income and Deficit Account

	8 Mths. Ended Dec. 31, 1936	12 Mths. Ended Apr. 30, 1936
	$	$
Operating profit	14,399	20,109
Less: Exec. salaries	2,666	4,000
Directors' fees	815	855
Legal fees	44	162
Net earnings	10,874	15,092
Less: Depreciation	7,035	10,180
Mortgage interest	2,219	4,030
Income taxes	296	84
Net profit	1,324	169
Previous deficit	26,682	26,851
Deficit forward	25,358	26,682
Working Capital		
Current assets	251,449	242,280
Current liabilities	66,953	63,217
Net working capital	184,496	179,063

Lake Sulphite Places Orders

From Our Own Correspondent

MONTREAL. — Lake Sulphite Pulp Co. has placed further equipment contracts. Dominion Bridge Co. has received an order for digestors involving over $150,000, while the Holton Steel Co. will construct the accumulators, costing over $50,000. Last week Dominion Engineering Works received an order involving about $500,000. Sundry additional contracts, involving reinforcing steel, cement, etc., will probably be placed in the near future.

Dividend $1.25 a Share For Russell Motor Car

A dividend of $1.25 a share has been declared on the common stock of Russell Motor Car Co., payable June 30, to shareholders of record June 17. The payment maintains the rate on the common shares at 5%, or $5 a share annually.

The regular quarterly dividend of $1.75 a share has been declared on the preferred stock payable on the same date.

Maintenance of a dividend rate of $5 a share on the common appears to indicate considerable improvement in operations this year of the two main subsidiaries, Canada Cycle and Motor Co. and Canadian Acme Screw & Gear. The earnings of Russell Motor Car Co. last year, largely drawn from these two subsidiaries, amounted to $2.44 a share on the common stock.

Investment Foundation Plans to Pay Arrears

From Our Own Correspondent

MONTREAL.—Providing market conditions warrant, it is the intention of Investment Foundation Ltd., to pay off all dividend arrears during the next 18 months, according to a statement made at the annual meeting of shareholders by H. C. Flood, president. These arrears now amount to $5.25 a share on the 29,790 shares outstanding, the equivalent of $156,447.

Public Utility Earnings

Winnipeg Electric

	1937	1936
April	$	$
Gross income	572,975	559,035
Operating expense	334,092	310,351
Net income	238,883	248,684
4 Months end. April		
Gross income	2,393,807	2,347,616
Operating expense	1,345,004	1,303,859
Net income	1,048,803	1,043,757

Jamaica Public Service

	1937	1936
April	$	$
Gross earnings	75,803	74,959
Expenses and taxes	45,982	44,187
Net revenue	29,820	30,772
Int. & amortization	8,937	8,633
Balance	20,883	22,139
12 Mos. end. April 30		
Gross earnings	878,403	873,372
Expenses and taxes	528,438	518,284
Net revenues	349,965	355,088
Inc. from other sources	1,974	......
Balance	351,939	355,088
Int. & amortization	103,335	103,928
Balance	248,604	251,160

Mexican Light and Power

	1937	1936	Increase
April:	$	$	$
Gross earn.	747,413	655,121	92,292
Oper. exp.	529,690	468,297	61,393
Net earn.	217,723	186,824	30,899
Four Months:			
Gross earn.	2,934,579	2,690,379	244,200
Net earn.	889,734	862,575	27,159

Ont. Tobacco Shows a Loss

Worst Season in History of Norfolk, President Reports

Ontario Tobacco Plantations shows a profit of $571 for the year ended March 31, 1937, and a deficit after preferred dividends of $11,867. A deficiency of working capital is shown, and the current liabilities consist largely of a bank loan of $27,000.

J. F. MacKay, president, states that the 1936 season was the worst since flue-cured tobacco was first grown in Norfolk county, Ontario. There was prolonged drought followed by intense heat and during harvesting there was a disastrous frost. In view of these conditions, he considers the net operating profit, before depreciation, to be satisfactory.

The company has redeemed 1,479 preferred shares at a cost of $80,305, an average of $54.30 a share. Including arrears of 41% in dividends on the shares, Mr. McKay calculates a total reduction in the capital liabilities of $128,234 from the purchases. He comments that while this affected the cash position the preferred issue now stands at 2,667 instead of 4,146 shares. Directors, he says, favor postponement of dividend until working capital is re-established.

Income and Surplus Account
Years Ended March 31

	1937	1936
Revenue:	$	$
Tobacco sales	107,285	101,042
Less. Sharemen's portion	53,442	50,028
Mktg. board deduct.	379	......
Add: Hail insurance	......	6,502
Apple sales	335	1,765
Feed crop	4,140	3,357
Field crops	1,073	196
Operating revenue	59,012	62,834
Less: Oper. expense	28,727	27,299
Operating profit	30,285	35,535
Less: Adminis. exps.	13,319	12,415
Depreciation	18,344	18,871
Income tax	111	1,143
Add: Sundry revenue.	2,060	2,896
Net profit	571	6,002
Less: Preference div.	12,438	12,439
Deficit for year	11,867	6,437
Add: Previous surplus	6,780	12,729
Adjustments	......	788
Surplus red. of pref.	67,595	......
Less: Inc. tax adjusts.	364	299
Organ. exp. w/o	68,120	......
Balance forward	†5,977	6,781

†Deficit.

Working Capital

	1937	1936
	$	$
Current assets	11,565	64,737
Current liabilities	29,086	4,658
Working capital	*17,521	60,079
Ratio	0.39—1	13.90—1

*Excess of current liabilities over current assets.

Changing Conditions

Conditions in the field of investment meet with frequent changes. The resources of our organization for securing authoritative information upon investment subjects are available to any of our clients.

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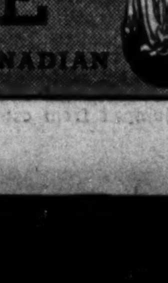

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Food in Canada's Wilderness

Crawley and McCracken Provides Rations for Workers on Front Line as Canada Pushes Back Her Hinterland

By GUY S. CUNLIFFE

Napoleon said: "An army marches on its stomach."

F. C. McCracken says: "You can't fool a workman's stomach."

Mr. McCracken should know what he is talking about. From his headquarters in Montreal, he directs an organization that has attended to the wants of as many as 20,000 workmen's stomachs in a year, on projects ranging from mine development to bridge building.

Having a pretty good sense of humor and a restrained idea of his own importance, Mr. McCracken would deplore any comparison with the Little Corporal. Yet the same fundamental perception was a factor in the success of both.

In sweeping across a continent to found an empire by force of arms, Bonaparte took particular pains to make sure that his soldiers were regularly fed. His fighting men could not stand the rigors of campaigning, could not throw themselves into battle with vigor and enthusiasm, on poor food; or even good food supplied at irregular intervals.

Mr. McCracken has not exactly conquered any empires, but he has built up a large and successful business, so successful that it stands unchallenged by competition in its particular field. His battles have been largely won by sticking for 25 years to a deep-rooted conviction: That the men in the front line of the advance upon Canada's wide open spaces should be fed and housed as well as possible.

Making Manpower Effective

Manpower was and still is needed to turn to useful purposes Canada's resources of forest, mine, and waterpower, to build roads and operate railways. Providers of that manpower will obviously be more effective, contented and continuously available if properly fed and decently housed. And the promoters of undertakings will be left free to devote themselves exclusively to the job of resource-wresting in hand.

On this seemingly simple premise, F. C. McCracken has reared a smoothly functioning system which has produced an annual revenue as high as $5 millions. Its ramifications extend from the Maritimes to Ontario's western boundary. It caters to the primary needs of food, rest and recreation of a representative cross section of Canadians, from sweating laborers in northern forests to immaculate bankers on St. James Street, Montreal.

Originally established and functioning for many years solely to look after men in the field, the enterprise which Mr. McCracken heads also serves city dwellers. The two phases of its service are under unified control, but conducted as separate and distinct operations.

Established 25 Years

The chief function, engineering the welfare of men in the field, is performed by the Crawley & McCracken Co. This unit is now celebrating the 25th year of its foundation. The secondary, but increasingly important, unit is Murray's Lunch, Ltd., operating 14 high standard, popular-price restaurants in Montreal and Toronto.

Since 1930, ownership and control have been centralized in a holding company, the Murray-McCracken Co., and the general management, accounting and purchasing for the two companies have always been carried out by the same staff. But the actual operation and executive direction of the two units are kept entirely separate. Each firm has its own general superintendent—J. E. Cahoon for Crawley & McCracken and C. R. Bronsdon for Murray's.

The combined gross revenues of the two units in recent years have fluctuated between $3 millions and $4 millions. The peak business of $5 millions was done at the time during the depression when Crawley & McCracken had the largest single contract in its history—catering to the thousands of men engaged in building the Ontario section of the Trans-Canada highway.

Although the Murray's unit was only started in 1923, primarily to absorb the surplus funds of the parent firm and the surplus energies of the head office staff, it now accounts for about 40% of the income of the enterprise as a whole.

Millions of Meals

It is estimated more than three million meals a year are served in Murray's restaurants. At the peak of operations this summer, Crawley & McCracken will be responsible for serving more than 7,000 men with three meals a day, or 147,000 meals a week. If continued throughout the year, this would be equivalent to 7,600,000 meals annually, but, of course, many camps are shut down wholly or partially in the winter.

So well organized and prepared for emergencies has Crawley & McCracken become through years of experience, that it was able to undertake a responsibility two to three times as great with a minimum of extra effort. For a considerable period after the work got well under way in 1931-32, the number of men engaged on the Ontario highway project averaged 10,000. At times, it rose to 12,000 or 15,000 men, which meant that Crawley & McCracken was looking after a total of 20,000 men throughout the territory it serves.

A quarter century ago, it was impossible to find a single dependable firm to cater to as many men, scattered over such a vast area. The men who were tapping Canada's mineral and forest wealth, building bridges and canals, had to depend on whatever makeshift arrangement each employer made to get supplies and operate a cookhouse.

Trouble in Past

The results of these arrangements were often more than even the hardened camp workers could stand. Illness and disease, discontent and outbreaks of trouble made it impossible to get the best out of working gangs. Labor turnover was high, and men often jumped from camp to camp in search of better food. With no efficient organization for obtaining supplies and keeping them fresh, food often went bad or ran short. Scurvy periodically resulted from lack of balanced diets.

In the old days, there was little variation from the standard menu of molasses and beans, sowbelly pork, oatmeal, flapjacks, strong tea, bread and occasional pies. A sharp contrast is afforded by the following sample menus at a camp served by Crawley & McCracken:

Breakfast—hot cakes with corn syrup, oatmeal and milk, fried sausages, fried potatoes, bread and butter, coffee or tea.

Dinner—roast beef, mutton stew, potatoes, stewed corn, boiled cabbage, mashed turnips, bread pudding, bread and butter, coffee or tea.

Supper—roast beef, baked hash, boiled potatoes, stewed corn, apple sauce, cake, cookies, bread and butter, coffee or tea.

The menus are varied as much as possible from day to day, and such items as fresh eggs, honey, roast meats, fresh vegetables and fruits, hot biscuits, and various kinds of pastry are provided daily.

Improved Housing

Another contrast with the "good old days" is afforded by the modern bunkhouse facilities maintained by Crawley & McCracken in most camps where it does the catering. In past years, bunkhouses were dark and poorly ventilated, with as many as 300 men crowded into a single log building. Today, sleeping accommodation is usually limited to 50 men to a building, equipped with windows, electric light if possible, and ventilators.

Three tier bunks on which men were separated from hard boards only by sack mattresses filled with straw or hay, have been replaced by steel cots with springs, modern mattresses, plenty of blankets, and, in some camps, regularly changed sheets. Primitive sanitary drainage facilities have been replaced in the larger camps by heated washrooms with hot and cold running water, and in every camp, special efforts are made to provide drainage to below-ground pools.

Not only does Crawley & McCracken attend to providing the meals and sleeping accommodation, but also runs commissary stores where the men can buy tobacco supplies, candy, clothing, shoes, stationery and a variety of other articles. It does everything possible to encourage recreation activities. Whenever possible, arrangements are made to provide cards, checker boards and reading matter for camp dwellers; community sings and entertainments are organized. Pleasant occupation of their leisure is regarded as just as essential to the morale and welfare of the men as decent food and sleeping accommodation.

Knowledge of Requirements

After years of study and experience, Crawley & McCracken executives have worked out to a fine point the nature and quantity of supplies required for almost any situation with which the firm may be confronted. They can tell you to three decimal points what amounts of sugar, butter, salt and other commodities a given group of men will consume. They know that it costs three-quarters of a cent extra in their unit costs for every 100 miles supplies have to be transported from the railroad.

One of the firm's most distinctive achievements has been the evolution of diets which they have found by experience to be best adapted to meet the nutrition requirements of outdoor workers. The nature of the work being done, the climatic and geographic conditions prevailing, and the personal tastes of the men themselves have to be considered. The last factor has been given particularly exhaustive study. It was quickly found that the personal tastes of different nationalities and different types of workers often counted for a good deal more than the fact that a diet was balanced and was best suited to their requirements.

The organization has served meals to men of 40 different nationalities at a time in the various camps under contract, including Orientals, Slavs, Scandinavians, Italians, Germans, English, Indians and French-Canadians. Cooks have to remember to provide such favorite foods as spaghetti and macaroni (balanced by tomatoes) for Italians, sweet foods for Finns, soup and pastries for French-Canadians; roast meats, fresh fruit and green vegetables, and poached eggs for English workers.

Mine Workers Fussy

It has been found that mine workers have the most fussy appetites. After working below ground, they crave a volume of food far less than men toiling in the open air. But what they do eat must be good, as carefully selected and with a quality as high as the meals served in city restaurants to those in sedentary occupations. Also abstemious and particular are bridge builders and construction gangs, while the menus for railway construction gangs, especially if made up of Poles and Russians, must bear down heavily on meat.

Despite the variations produced by these and other factors, Crawley & McCracken experts know that for every 100 men they have to serve, they need 460 to 651 pounds of food supplies a day, or an average of 550 pounds. They know that this will include the following necessities: Materials for beverages, 2.3 to 5.5 lb.; dairy products, 15-35 lb.; pickles, flavoring, etc., 2-14 lb.; flour, cereals, 79-155 lb.; fish, .09-18.9 lb.; fruits, 4.5-17.3 lb.; vegetables, 123-224 lb.; meat and meat products, 101-158 lb.; sugar and sweets, 39-77 lb.; miscellaneous, 1-7 lb.

Such averages and ranges of consumption were of great value when the company took on the task of feeding the workers on the Ontario highway project. They are of value at any time, because surplus or wasted supplies mean wasted expenditures, loss of profits. On large contracts, this may mount up. For instance, to feed 10,000 men for six months during one period of the highway undertaking, the camps required 2.2 million lb. of beef, 139,000 dozen eggs, 2.5 million lb. potatoes, 1.7 million lb. flour, and 880,000 lb. sugar.

Varied Problems

The problems which arise from the purchasing, transportation, storage and serving of such vast quantities of food are endless in their variety. They periodically tax the ingenuity and resources of even an experienced organization like Crawley & McCracken. Very often a call for service is received on extremely short notice for getting equipment, supplies and trained staffs of cooks, clerks, waiters and helpers to distant points, often miles from a road or railway line.

New methods are constantly having to be devised to cope with problems without precedent. When the company took on the task of feeding men building the 135-mile transmission line of the Shawinigan Engineering Co., from Isle Maligne to Quebec, it was found that 100 miles of the line were to get straight through virgin forests, swamps, and over mountains.

Some 2,000 men would be moving the line forward at daily rates of progress that would vary, according to the nature of the terrain traversed and climatic conditions. Transport routes which could be built across the snow in winter would disappear and become impassable with the advent of the spring breakup.

The route had to be surveyed and engineers consulted so that the spacing of camp locations and supply depots would coincide with the advance of the working crows. During the winter, supplies sufficient for the entire period of operations (for example, 320,000 lb. of fresh meat) were hauled to strategically located storage caches. Vegetables were put into earth covered root houses, and meat placed in specially built chambers under tons of ice.

Self-transporting Supplies

Where other means failed, cattle have been bought "on the hoof" and driven through forests and across mountains to be slaughtered at the camps to be served.

A problem similar to that at Isle Maligne was encountered during the past winter at Baie Comeau, where the Ontario Paper Co. is developing a townsite and pulp mill. The only means of transport access is by water, and vessels cannot get in after Dec. 1. This meant that supplies for 400 men for four months had to be sent in prior to that date, and facilities found for storing them in good condition. This is the biggest single job for which Crawley & McCracken is currently catering. There will be 1,500 to 2,500 men at work there this summer.

On one occasion in the course of a Price Bros. undertaking at Chute aux Galets, in Quebec, fire destroyed the cook house, mess hall and other buildings at the camp. Fire or no fire, the men had to be fed. Stoves and other equipment were rushed from Chicoutimi, 25 miles away, and set up in the open. Breakfast was served the next morning. The men had to use discarded tin cans for coffee cups, but they got their breakfast.

Major projects on which the workers have been fed by Crawley & McCracken include the Welland Canal, Quebec Bridge, C. N. R. tunnel under the mountain at Montreal; initial development of numerous mines in northern Quebec and Ontario; pulp mill construction in Ontario, Quebec and New Brunswick; grain elevators and docks at Port McNicholl and Prescott, Ont., and Saint John, N. B.

In addition to the Baie Comeau development, the company is presently operating mess halls for the 1,000 men working on the Nipigon development of the Lake Sulphite Pulp Co. Since its inception 25 years ago, the company has served travelling railway maintenance crews ,and now caters to crews of the C. P. R. and C. N. R. in New Brunswick, Quebec and Ontario. Including maintenance trains as camps, the company is currently operating over 100 camps.

The maintenance of facilities over such a wide area is accomplished by a combination of decentralized responsibility and regional units, with centralized control and a basic system that is standardized to the most minute detail. The central office and warehouse is maintained at Montreal, while district offices and warehouses are operated at Toronto, Port Arthur, Sudbury, North Bay, Cochrane, London (for railroad crew service), Capreol and McAdam. Additional offices are operated at Chapleau and Sault Ste. Marie. The company has operated on a permanent basis for 15 years the boarding house at Temiskaming for workers of the International Paper Co.

Budgeting Ahead

Each camp manager or clerk, each district inspector, each regional manager, is given full authority in his own jurisdiction—and full responsibility for putting into practical effect the rules and formulas of the company. The camp manager is responsible for keeping tab on the number of men working and likely to be working in the future at his camp, and must budget his supply requirements a month ahead.

Sent in to head office through district and regional bureaus, these estimates form the basis of the company's purchases of supplies. So exactly has the system been worked out and so carefully have the company's formulas been evolved, that there is usually a variation of not more than ½% between the estimates and the actual supplies used. A 3% variation is regarded as unduly high and investigation is promptly made to correct the flaw in the system.

The system by which the Murray's restaurants in Toronto and Montreal are operated is also based on detailed standardization of practice, central control and division of responsibility. A system of percentages has been worked out which shows the standard experience cost for various types of supplies, for wages, and other operating factors. Periodic analyses are made of the percentages shown by actual operation, and if the variation is too great, steps are taken to adjust matters.

Close Check-up

So closely calculated are the percentages and so deeply rooted in experience, that check-up on variations at particular restaurants has even detected thefts or back door sales of comparatively small quantities of food supplies. Supervisors know, for instance, how much butter is consumed for every $100 worth of business done. On one occasion, routine investigation of a small but regular variation revealed that a kitchen helper was stealing a pound of butter at a time, and getting past the checker by slicing it in two and slipping the pieces into his overcoat pockets.

The system was not devised, however, for the undoing of malefactors. It is aimed at permitting scientific calculation of costs and revenues, economic operation, and maintenance of quality at as high a level as possible. As an example of the close attention to detail and the trouble taken to keep up those standards, a firm of analytical chemists is retained to make monthly butter fat tests of cream served at the restaurants.

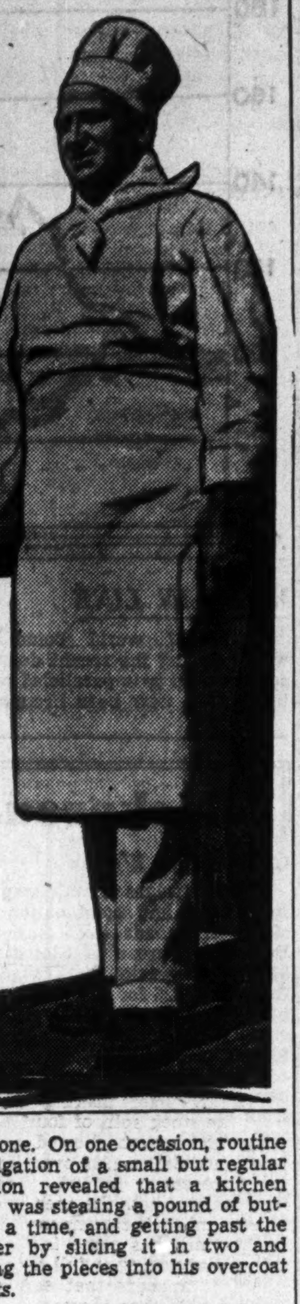
Up in the Air

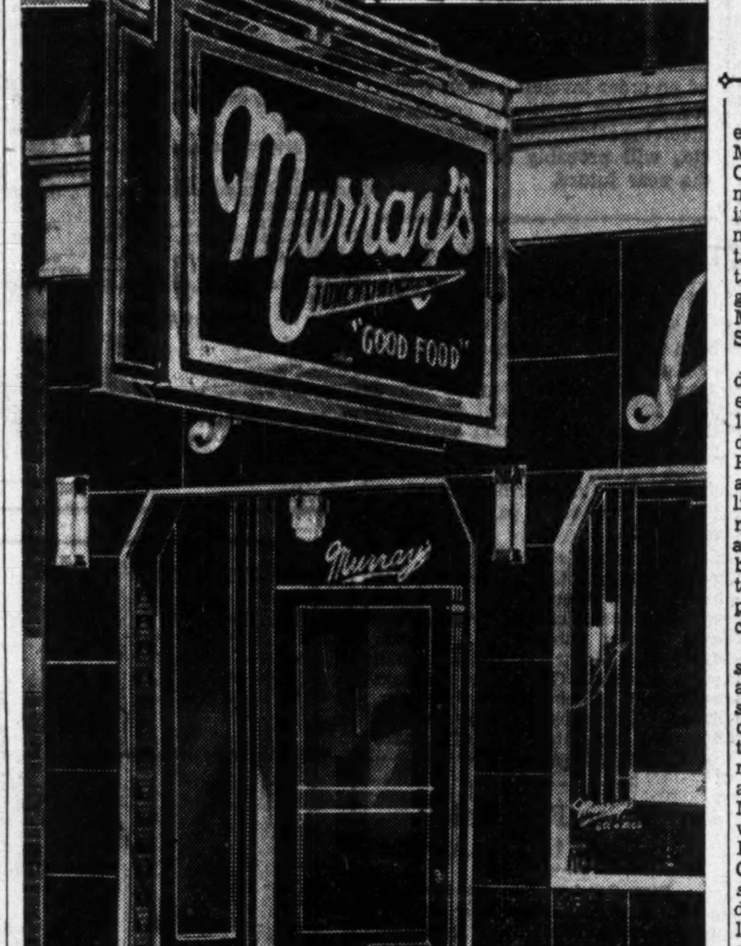
The Murray organization recently went up in the air. The firm was awarded the contract for providing light lunches on the 'planes of the Montreal-New York service, inaugurated by Colonial Airways and American Airways.

The energy and funds expended in building up Murray's were almost diverted into the grocery business. In 1923, the parent company, Crawley & McCracken, found itself with surplus funds to put to work. Its accounting, purchasing and general managing staffs did not have enough to do in the winter when many camps closed down. But the grocery idea was finally rejected.

The new project was started experimentally by purchase of a "one-arm" lunch room in downtown Toronto, the operator of which had gone bankrupt. It was not successful financially, and was felt to lack the dignity which the company sought. Then Mr. McCracken went on a trip to Los Angeles. In that city and in Chicago, he observed establishments called B. & G. Sandwich Shops which seemed to be doing a land office business. His observation resulted in opening of the first Murray sandwich shop in Toronto, and since then (1923), the enterprise has, like Topsy, "just growed and growed."

The name for the new undertaking was derived from the first name of the late Murray D. Crawley, Mr. McCracken's partner, who died a year before the launching of the restaurant chain bearing his name.





"COME AND GET IT!"

Through the Crawley & McCracken Co. and its affiliate, Murray's Lunch Ltd., thousands of Canadians are fed and housed while engaged on lumbering, mine development, railroad and field construction projects, and millions of meals served annually through a chain of high-standard city restaurants. Top pictures show workers at a temporary tent camp hurrying to heed the call of a white-robed Crawley-McCraken chef to "Come and get it!" Centre photo shows a scene at one of the commissary stores operated at most camps. Below is one of the Toronto restaurants operated by the affiliated concern.

APPOINTED DIRECTOR

J. E. Cahoon, general superintendent since 1934 of the Crawley & McCracken Co., of Montreal, field commissary caterers, who has been appointed a director of the privately controlled concern. Born in Owen Sound, Mr. Cahoon was at one time employed by the C. P. R. as chief timekeeper at Port McNicoll.

Urges Creation of New Wealth

National Employment Heads Warn Against Forces of Reaction

Although improved economic, industrial and employment conditions may be in sight for Canada, Arthur B. Purvis, chairman of the National Employment Commission, believes that the greatest problem for Canadians at the moment is their ability to preserve their individual liberties of thought and action against the forces of reaction.

Addressing the fifth Canadian Conference on Social Work at Ottawa recently, Mr. Purvis declared that Canada may be entering "a prolonged period of good times."

Mr. Purvis believes there are two methods by which the threat of reactionary forces in Canada may be forestalled.

In his own words they are:

"First, pending the time when the productive machine can annually produce enough so that all may enjoy at least a good measure of creature comforts, we must do everything possible to encourage the creation of more material wealth and to encourage those who are active in its creation.

"Secondly, we must strive to attain greater efficiencies in the spending of that portion of the wealth we annually produce which the government finds it necessary to withdraw through taxation, in order that the drain of these expenditures on the workers' standards of living may be reduced to the smallest dimensions possible."

Mr. Purvis bases his suggested methods on the fact that a people enjoying a reasonable measure of economic comfort are less likely to accept the counsels of despair which are involved in extremist theories.

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International Pete

As a shareholder of International Petroleum Co. I have recently become perturbed over the stability of the company. Can you outline the company's position and the likelihood of continuing the present rate of dividend?

International Petroleum Co. is the major oil producing subsidiary of Imperial Oil Ltd. It has a powerful financial position, and is well able to pay the dividends and bonuses which you are now receiving. Last year, the company showed net profits equal to $1.65 a share, and it is likely that in the year which closes June 30, 1937, some increase will be shown. This leaves the stated profits short of the full dividends of $2.50 a share annually. However, it may be noted that the company's fixed assets have already been written down by about two thirds of the book value which in itself appears to be conservative. Consequently, deductions from earnings for depreciation and depletion are to some extent nominal entries. Net result of payment of dividends in excess of the stated net profit is that the company shows a deficit for the year, but actually does not weaken its cash and liquid position materially. Furthermore, there is a prospect of higher earnings, provided petroleum prices remain firm. Thus, there is a possibility that the earnings eventually will be covered in full and, in any event, the company's financial position allows it to pay the excess dividend for some years.

C.I.P. Bonds

Will you kindly tell me the position of Canadian International Paper, of which I own 25 bonds? I have been reading of the tremendous deficit they had last year, yet the price is still around 100.

Canadian International Paper Co.'s financial statements for the last two or three years have shown book losses after providing for all charges, including depreciation, depletion, and bond discount. However, the deficit has lessened and it is noted that in the 1936 report the company's cash income was ample to take care of cash outgo. Plant operations are satisfactory, and with the price increase in effect on this year's deliveries and a further advance scheduled for the first half of 1936, the prospects are more encouraging than they have been for some time.

Union Gas Bonds

Do the 4½% bonds of Union Gas Co. appear well secured?

Union Gas Co. of Canada showed ability to cover its fixed charges, after depreciation, about 1½ times, in the deepest part of the depression. Subsequently, the company's debt has been refinanced, through issue of the new first mortgage bonds, and earnings have been extended very materially. Interest on bonds appears to be substantially covered. There is a substantial sinking fund provided, in the early years to retire serial first mortgage bonds and in the later years to retire half the 4½% first mortgage bonds, prior to maturity in 1950. Also, the company's net assets are far in excess of the bond issue. Although the security for the bonds depends to some extent upon the life of the company's gas producing wells, the provision for payment of bonds appears to be adequate.

Montreal Tramways

I see that a Government enquiry is to be made into the running of Montreal Trams. Rumors have gone on for years about its unsafe position; still it has paid full dividends. If this enquiry means that there need be only some slight change in management, etc., I would like to buy common stock at the present figure.

The Quebec Government plans to establish a commission to investigate and study the contract between the Montreal Tramways Co. and the City of Montreal. Opponents of the contract claim that the amount guaranteed the company is too large and should be reduced. If the commission favors a reduction in the charges payable to the company, then it will probably affect the ability of the company to pay the present dividend on the common stock.

There is no criticism against the management of Montreal Tramways Co., but simply a belief that the amount guaranteed to the company under the terms of the contract should be lowered.

Winnipeg Electric

Will you please let me know whether or not Winnipeg Electric Co. is in a position to pay the interest on its series B bonds?

Under the reorganization carried out by Winnipeg Electric and subsidiary companies, the consolidated funded debt was substantially reduced and the carrying charges placed on a basis which enabled them to be carried by the company.

During 1935, Winnipeg Electric reported consolidated net income of $385,354 available for the income, series B, bonds. Interest on these bonds is payable only out of income and under the terms of the agreement, the coupon rate amounts to 4% per annum from 1935 to 1941 inclusive and up to 5% per annum from 1942 to 1946 inclusive. After Jan. 2, 1947, the series B bonds will bear a semi-annual interest of a fixed rate of 5%. On the basis of the returns for 1935, the company paid 4%. These payments have been maintained.

For the first quarter of 1937, Winnipeg Electric reported a net income available for interest on the series B bonds of $207,957. This represents an increase of 3.47% over that reported for the corresponding period of 1936.

United Steel Preferred

I am holding United Steel class A preferred shares and would like your comment on the position of this stock.

United Steel class A preferred shares have recently been selling around $20, reflecting commencement of the regular dividends of $1.50 a share annually. The shares have a par value of $25 each, and at the current price the yield on the full dividend is 7½%. The shares may not reflect in full the high rate of dividend until the earnings record is more clearly established. A factor that may work against a full par value for the shares is that they are not listed on the stock exchanges, although the common shares are traded actively.

United Steel has derived much of its improvement from the sharply increased earnings of the major subsidiary, Standard Steel Construction Co. Precise comparison of results for 1936 is not possible because the statements of Standard Steel and United Steel were consolidated for the first time. Standard Steel Construction Co. itself has preferred stock outstanding and it ranks as a prior charge on earnings in the consolidated statement.

Ford Motor

Has Ford Motor Co. of Canada established a regular dividend rate, and, if so, does it appear able to maintain this rate?

Ford Motor Car Co. of Canada recently stabilized the dividend rate on the common stock at $1 a share annually which gives a moderate yield at the present price. Over a period, the company's earnings have been somewhat erratic but there is little doubt of the ability to continue the present dividend rate because of the company's very large reserves. The shares have been bought in large quantities by some American investment trusts.

E. L. Ruddy

Do the 6½% first mortgage bonds of E. L. Ruddy Co. appear well secured?

The recently published report of E. L. Ruddy Co. showed that bond interest was barely covered in 1936, after allowing for depreciation charges of $44,560. The company has been able to cover bond interest in the past three years, after charging depreciation, and the amount of bonds has been reduced to $591,700 out of an original issue of $750,000. As you can see, the recent record shows a rather slim margin for bond interest, although the depreciation charges have allowed the company to increase its working capital.

Foreign Power

Will you please let me know the present value of Foreign Power Securities bonds, and also something about the current position of the company?

Foreign Power Securities collateral trust bonds are currently bid at 72. This company's investments are primarily in French hydro-electric and public utility companies. Income has steadily declined since 1930, dropping from $798,088 to $175,074 in 1936. A substantial proportion of income in recent years has been realized from premium earned on French exchange and, with the devaluation of the franc in 1936, this will be greatly lessened. A similar trend is noted in the equity back of the bonds. The equity in the 1930 fiscal year totalled $2,575 for each $1,000, as against $1,331 in 1936. The outlook for the company depends upon improvement in business conditions in France and increased power consumption. The devaluation of the franc should help. French business, but it is important to note that of the $175,074 of revenue received by the company in 1936, $49,739 represented premium on French francs. Without this premium, the company would not have covered the bond interest.

Dominion Foundries

What progress has Dominion Foundries & Steel Co. made in increasing earnings in the past few years? Is there any prospect of dividends on the common stock?

There has been a marked improvement in the position of Dominion Foundries and Steel Co. Ltd. during the last four years. In 1932 the company earned only 12 cents a share on 7,199 shares of preference stock while in 1936 earnings on 12,000 shares of preference stock amounted to $25.94 a share. Common share earnings in 1936 amounted to $2.49 a share as compared with $1.26 a share in 1935. The 1935 earnings are after making adjustment for the stock split of four shares for one. Production showed a substantial increase in 1936 over 1935, making necessary a 50% increase in capacity of both the open hearth and plate mill. The company's new tin plate mill has come into operation and is operating at full capacity. For 1937 it appears that earnings will show a further increase, orders on hand being in excess of last year. In view of the substantial earnings, excellent working capital position and expanding business, the company should be able to pay dividends soon.

Canadian Celanese

I am interested in Canadian Celanese and would like to have any information you can give me on this company, especially as regards capital set-up.

Canadian Celanese earnings have been well developed in recent years and, judged by activity in other branches of the textile industry, current earnings should be on a satisfactory basis. Last year the company reported a net profit of $1.5 million available for interest on the income rights and dividends on the capital stock. Profits on the preferred amounted to $13.97 and on the common stock-$2.54 a share.

During the past year the company undertook to carry out further expansion of its plant at Drummondville, to provide for additional looms and other machinery necessary to handle certain new products which are expected to be good revenue producers.

At the end of last year Canadian Celanese had outstanding $10 millions of 7% cumulative participating preferred; 84,936 income funding rights, which were issued in settlement of preferred dividend arrears; and 260,409 no par value common shares.

Famous Players

Do 4½% bonds, due 1951, of Famous Players Canadian Corp. rank equally with the serial bonds? Have the company's earnings covered bond interest requirements?

The 4½% bonds of Famous Players Canadian Corp., due 1951, amount to $5 millions, and although part of the first mortgage, in point of time of payment, the 4½% bonds rank behind the 3½% first mortgage serial bonds. The serial bond issue is $2.1 millions, of which $350,000 mature annually each June 1. The first maturity of this issue has just been paid. The serial bonds therefore constitute a select portion of the first mortgage, in effect, absorbing the amount of sinking fund up to the year 1942. The company has a very good earnings record, having been able to cover bond interest after depreciation in every year of the depression, and showing earnings of slightly over three times bond interest after depreciation in the 1936 year.

United Securities

I hold some of United Securities 5½% bonds and am at a loss to understand why the market value continues to decline.

Decline in the market value of United Securities 5½% bonds reflects the uncertainty over the ability of Montreal Tramways Co. to maintain dividends at the current level on its common shares. United Securities holds a controlling interest in the Tramways Co. and shares of the latter provide its principal income. The contract between the Tramways Co. and the city of Montreal is under attack and the Provincial Government has interested itself in the matter. While one cannot definitely say at this point that the contract will be revised, resulting in a lowering of revenue to the Tramway Co., still the uncertainty has a depressing effect upon the market value of United Securities bonds.

Abitibi Bonds

Are holders of Abitibi Power & Paper Co. bonds likely to receive the full amount of their claims in any reorganization?

Abitibi Power and Paper Bonds are in a commanding position in connection with the forthcoming reorganization of the company. For each $1,000 of bonds the total claims including all interest will amount to $1,410 by the end of this year. These claims stand first for settlement in any reorganization of capital; and it is possible that the bondholders will either receive securities for the full face amount of their claims, or else will receive equity securities which may benefit from the improvement in the company's earning power.

Even when the initial plans of reorganization are announced, there remains the uncertainty that there may be changes in the proposals. Nevertheless, the bonds are in a fortunate position to obtain satisfaction of the claims, and the possibilities for income on the securities have not yet been exhausted. However, there is no prospect of interest payment until some plan to remove the company from receivership has been adopted.

Oka Sand

I hold a $1,000 bond in Consolidated Oka Sand and Gravel. Will you please tell me how this company is getting along and prospects for resumption of interest payments?

Consolidated Oka Sand and Gravel has not recorded any particular improvement in its position, though the outlook appears somewhat more favorable. The report for last year shows a further loss as building activity in the Montreal area is still below normal. While the immediate prospects are indefinite, it is more than likely that the company will have to carry out capital reorganization. So far no plan has been formulated in this regard. Latest reports show current liabilities in excess of current assets and there is no prospect of interest payments at present.

Notwithstanding

that experience has proven failure to make a Will one of the greatest mistakes a property owner can make many neglect this duty. If you have no Will there is a possibility of trouble and loss for your heirs which you can prevent by taking proper precaution now. Consult your lawyer and our Estates Department. He will draw your Will—we will act as Executor and Trustee.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

FOUNDED 1855

A Safe REMUNERATIVE INVESTMENT

Canada Permanent Debentures are a favorite security of many thousands of experienced investors. Issued for $100. and upwards, bearing the following attractive rates:

for 1 or 2 years - 3 %
for 3 or 4 years - 3¼%
for 5 years - - - 3½%

A legal investment for trust funds.

CANADA PERMANENT
Mortgage Corporation
HEAD OFFICE: 320 BAY ST., TORONTO
ASSETS EXCEED $68,000,000

N. E. Power Doing Better

Improvement Noted for First Four Months This Year

From Our Own Correspondent

MONTREAL.—New England Power Association's net earnings for the first four months of 1937 amounted to $957,688. This contrasts with a net of $443,222 for the like period of a year ago. Current earnings were equal to $1.02 a common share outstanding, more than double the 47 cents a share earned in the first four months of 1936.

Commenting on the earnings, Frank D. Comerford, chairman, said:

"Although these results are encouraging it should be observed that during the first four months of last year the association's subsidiaries suffered losses in revenue because of flood conditions and incurred substantial operating and maintenance expenses, which reduced the association's net by about $205,000. There has moreover, been a slackening in industrial operations in the territory served during recent weeks particularly in textile lines and the rate reductions have been placed in effect since the close of last year, which are calculated to effect annual savings of $700,000 to consumers served by the company's subsidiaries.

On Conservative Basis

"On the other hand, earnings for the four months ended April 30 have been stated upon a conservative basis. For example, in addition to an aggregate maintenance expenditure and depreciation reserve for the period amounting to 14.5% of consolidated gross earnings, a special reserve of $260,000 was created out of consolidated income because of 'better than normal' water conditions which will be available for equalization of electric generating costs in subsequent periods of unfavorable water conditions. Actually, water conditions are still satisfactory, with the storage available to our hydro plants at the close of May exceeding that of a year ago.

"For the first four months of this year consolidated earnings available for capital charges and depreciation increased 4.37% to $8 millions. Chiefly because of interest savings as a result of refinancing operations by the association's subsidiaries last year, capital charges including subsidiary preferred dividends and minority interests were only $4 millions, a decrease of 5.71 per cent from the same months of 1936."

National Light & Power Earnings Down Slightly

National Light and Power Co. had net earnings of $72,491 available for bond interest in the first four months of 1937, according to a report by McLeod, Young, Weir & Co. This compares with $75,367 in the first four months of 1936. Bond interest was covered 1.75 times, after depreciation, compared with coverage of 1.83 times in the same months of 1936.

The company had an output of 7,568,000 kilowatt hours in the first four months of 1937, compared with 7,336,000 kw.h. in the 1936 period. The company reduced rates in June, 1936, and increased wages from October, 1936, which accounts for the slight reduction in earnings on the increase in volume.

Fernie Brewing Co. Pays 60c Dividend

Fernie Brewing Co., Fernie, B.C., has announced a dividend of 60 cents a share on its $10 par value common stock. This dividend will be paid on July 2, 1937, to shareholders of record June 15, 1937.

The present dividend is the fourth to be paid by the present company. Previous payments have been 25 cents a share in 1934, 50 cents a share in 1935 and 60 cents a share in 1936. The company earned 94 cents a share in the year ended March 31, 1937.

Acme Glove Achieves Sales Increase of 20%

MONTREAL.—Acme Glove Works reports sales in the first five months of the year greater by approximately 20% in dollar value than those in the same period a year ago. The improvement is attributed to all-round better conditions throughout the country. In eastern Canada the company has experienced more active demand for its products, and has been helped substantially by an acceleration of operations in the lumbering districts.

Rail Revenue Higher for May

From Our Own Correspondent

MONTREAL.—Railway operating revenues of Canadian Pacific and Canadian National Railways for May totalled $28.7 millions, as against $26.6 millions a year ago, an increase of 7.79%.

Last month the Canadian Pacific's operating income totalled $11.8 millions, an increase of 5.4% over the same month a year ago, while the Canadian National, with a revenue of $16.8 millions, registered a gain of 8.9%.

Dom. Engineering Works Secures New Contracts

From Our Own Correspondent

MONTREAL.—Lake Sulphite Co., which is building a large pulp mill in Western Ontario, has let a contract to Dominion Engineering for machinery which is estimated to cost in excess of $500,000.

The contract actually let is understood to be for construction of a pulp forming and drying machine of the Fourdrinier type, with three wet presses; the drying part is to be constructed according to the Minton patent, consisting of 42 60-inch diameter cylinders.

Manitoba Hydro has placed contracts for another generator and turbine to be installed in its Slave Falls plant. The Dominion Engineering Co.'s price of $97,000 for a turbine and the Swedish General Electric Co.'s tender of $141,655 for a generator without parts, were accepted.

East Kootenay Output Gains

Increased Expenses Cut Net Revenue For 1936-37

East Kootenay Power Co.'s operations in the 1937 fiscal year were on a greater scale than in 1935-36. While gross income increased to $466,219, an advance in purchased power and expenses resulted in a reduction in net revenue from $288,734 in 1936 to $282,316 in 1937. After all interest charges, there was a loss of $5,336 as against $200,805 in the previous year.

The balance sheet does not show any major changes. Demand notes and current accounts payable to Power Corp. of Canada now stand on the books at $2,156,274, a reduction of about $5,000 during the year.

Income and Surplus Account
Years Ended March 31

	1937	1936
	$	$
Gross revenue	466,219	439,187
Less: Purchased power	17,940	6,156
Expenses	116,401	93,776
Taxes	21,915	23,908
Maintenance	27,647	26,616
Net revenue	282,316	288,734
Less: Interest	287,652	291,539
Loss for year	5,336	2,805
Previous surplus	49,789	52,594
Surplus forward	44,453	49,789

Working Capital

	1937	1936
	$	$
Current assets	132,587	167,830
Current liabilities	2,265,691	2,269,925
Working capital	*2,133,104	*2,102,095

*Excess of current liabilities.

CANADIAN SECURITIES

Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

THE
LONDON & WESTERN TRUSTS
COMPANY LIMITED
ESTABLISHED 1896
LONDON - TORONTO - WINDSOR - WINNIPEG - VANCOUVER

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED DEBENTURES ISSUED
Mortgage loans on owners' homes at low rates of interest
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

"Just what the Doctor ordered!"
ONTARIO 1937
D·70

Dr. Dafoe's license plates carry the same number and medical insignia as he has had for several years—D-70, the best-known license number in the North.

A NEW Chevrolet—that's the prescription Dr. Allan Roy Dafoe, famous mentor of "the Quints", writes for himself when it comes to motoring.

Above you see "le docteur"—as his five little friends call him—with his new 1937 Chevrolet Coach, fifth Chevrolet he has owned. "I get as big a kick out of this new model," he tells us, "as I did out of the first car I ever bought—that good old 'Four-Ninety' you people built, back in 1916!"

We're happy Dr. Dafoe chose a Chevrolet. And we are proud that most people prefer our car. The fact is, Chevrolet has led in sales for 3 of the last 4 years.

What makes it so popular is the Chevrolet habit of giving *more* for *less*. There's no other car in the lowest price field that offers you Unisteel Turret Top Bodies by Fisher—Valve-in-Head high-compression engine—perfected Hydraulic Brakes—*Knee-Action gliding ride—Safety glass—Fisher No-Draft ventilation. And owners report 25 *and more* miles to the gallon of gas!

See and drive Chevrolet yourself, before you decide on any other car. It's priced with the lowest . . . costs you less to run . . . and it's *The Only Complete Low-Priced Car!* (Payments to suit your purse on the General Motors Instalment Plan.)

*On Master De Luxe Models.

CHEVROLET
. . . for economical transportation

GENERAL MOTORS PRODUCTS

See, Drive and Compare the Chevrolet Models on Display at Your Local Dealer's Showrooms

Construction

Hamilton Blazes Trail Toward Uniform Codes

Construction Costs, Use of New Materials, Safety and Health Factors Provide Basis For Modern Municipal Regulations

Is Hamilton, Ontario, leading the way toward uniform building by-laws suitable for adaptation in all Canadian municipalities?

D. G. McPherson, executive of the Northwestern Mutual Fire Association, writing to The Financial Post from Hamilton, believes that the city's recently adopted building code, drafted by civic officials, may be the answer to one of the most pressing problems affecting continued recovery of construction in Canadian urban centres. He says:

"In your issue of May 15 you carried an article by Mr. T. C. Thompson on the subject 'Uniform Building Codes.' The city of Hamilton has adopted a new building code . . . . which I believe is a real step forward, covering as it does many contentious points in a very satisfactory way." The article in The Financial Post advocated establishment of uniform building codes in Canada.

As The Financial Post pointed out, the lack of uniform building codes in Canadian cities is a serious obstacle to the general use of new and improved types of materials, structural methods and design. Hamilton's code, drafted by J. B. Chambers, assistant city solicitor in collaboration with H. C. Phillips, assistant city engineer, is designed to overcome these obstacles and at the same time raise the standard of building construction in the municipality. It is not radical but it recognizes new materials and building practices as essential to modern urban types of construction. Many of its features are of a technical character familiar to modernization and building experts.

Mr. Chambers' view is that even with a wealth of material available in standards set by fire underwriters and so-called "model codes," difficulties still stand in the path of the city official in Ontario who attempts to draft a code from these sources of information. The very lack of satisfactory codes in Ontario and Canada indicates the futility of attempting to draft a suitable code from a dozen other unrelated sets of regulations, the Hamilton expert holds, citing the findings of the National Fire Protection Association of the U.S. which in its recent quarterly report states:

"Wasteful Duplication"

"Local developments of standards is a wasteful duplication of efforts, is inefficient because of the restricted use of the large amount of time and effort involved in the drafting of such requirements, and may give a result which is incomplete and inequitable, owing to the lack of technical talent, the limited experience available in any individual city, and the possibility of undue influence by local commercial interests."

Mr. Chambers holds that apart from their advantages, the practical necessity of uniform building codes is an accepted fact. There is no reason, it has been found, for supposing that variations cannot be made in accordance with local requirements, and Mr. Chambers believes the initiative must remain with the local authority, subject to approval of provincial authorities to preserve the common features of uniformity in other respects. Uniform by-laws are basically for the convenience of municipalities, and not intended to be forced upon them without their consent.

Divergent Systems

Authorities in Hamilton drafted the local by-law after a close study of regulations in England and the U.S. in which they found the predominant influence on English regulations was health, while that in the U.S. was fire protection. The ministry of health is in charge of building regulations in England, where consideration is given to a damp climate, masonry and other available material for building. In the United States widespread use of wood-frame construction, with hot dry summers, created a different set of circumstances and a different set of regulations followed.

Results of these conditions are found in the preparation of model by-laws by health ministry officials in England and their adoption by different municipalities and in the U.S. the uniform building code is that adoption by the Pacific Coast Building Officials' Conference in 1927, with amendments and revisions. But the U.S. code was in use in 74 cities up to 1930 and in 106 cities by 1932.

In comparison, Canada and particularly Ontario, are far behind the times, according to experts.

Costs, Health and Safety

The Hamilton by-law is based on three major considerations which, experts believe, hold the solution to the problem of obtaining uniformity in all Canadian building by-laws. They are:

1. Construction costs as low as possible, yet consistent with standards of safety and health. Designed to facilitate the use of new materials and methods of construction, the factor of low cost is inseparable from centralization and co-operation in making materials available to many municipalities under a series of building codes continually kept up to date, the Hamilton experts found.

2. Adaptation of the divergent health and safety factors influencing English and U.S. building codes, and their combination into a single code designed to meet both requirements in Canada.

3. Regulation not only of the erection of buildings but also of their use and occupancy, again in relation to both safety and health as well as special requirements for a number of occupancies of varying types.

There is one other important factor, incorporated in the new Hamilton regulations. It is provision for added plates and diagrams as part of the code, by which time and effort will be saved by both civic authorities and builders particularly where illiterate would-be home builders are concerned.

Civic officials, associations, architects, builders and indeed all connected with the construction industry are turning increasing attention to existing confusion caused by a lack of uniform building regulations in Canada.

With the current expansion of building activity it is possible that a concerted movement will develop, but meanwhile Hamilton is among the few Canadian cities to blaze a new trail through the maze of restrictions, obsolete regulations and confusing phraseology that clutter up other municipal statute books.

New Building

Canadian Postum Co., Windsor; addition to plant, $5,000.

Dominion Gas Co. and **Northwestern Utilities,** Edmonton; extension of premises and new gas mains, $150,000.

McColl-Frontenac Oil Co., Kirkland Lake, Ont.; new warehouse, garage and pumping station to replace building destroyed by fire.

Holt Renfrew & Co., Montreal; new store building, $240,000.

Canada Packers, Toronto; cooling tower, $10,000.

Link-Belt Co., Toronto; plant expansion, $50,000.

Ford Motor Co. of Canada, Saint John, N.B.; distribution headquarters, $225,000.

Bell Telephone Co. of Canada, Whitby, Ont.; contemplated erection of new dial telephone exchange.

Canadian National Railways, Foleyet, Ont.; 200-ton mechanically operated coaling plant.

C. P. R., Chapleau, Ont.; enlargement of shops, $35,000.

Canadian Industries, Shawinigan Falls, Quebec; new plant for manufacturing caustic soda and chlorine, $2 millions.

Imperial Oil, Beardmore, Ont.; warehouse and three large storage tanks.

Fort William Coal Dock Co., Fort William, Ont.; rebuilding dock, $50,000.

City & District Savings Bank, Montreal, new branch, Beaubien Street and Delorimier Avenue.

Hayes Steel Forgings Co., St. Catharines, Ont., proposed new power house, one story, steel and brick with concrete floor.

Harrison Bros., Montreal; plant addition, three stories, concrete foundation and structural steel frame for manufacture of baking products, $14,000.

Canada Cement Co., Chatham, N.B.; proposed bagging and distribution plants, $100,000, under agreement for ten years fixed assessment of $25,000.

Autocraft Paints, Toronto; factory $17,000.

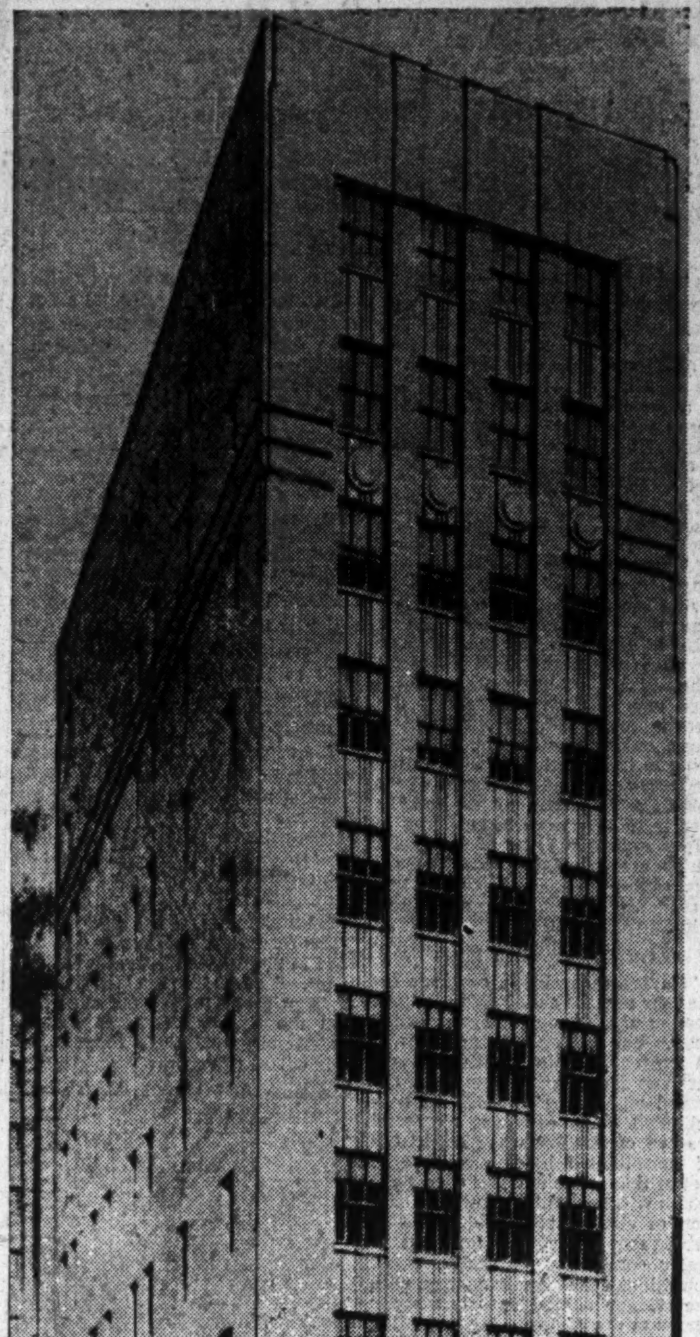
Beattie Gold Mines, Duparquet, Quebec; new roasting plant and smoke stack, $650,000.

Proprietary Mines, Larder Lake, Ont.; new power plant at Corset Falls.

Premier Trust Co., Toronto; alterations to provide additional office space.

Dominion Textile Co., Magog, Quebec; major plant expansion programme, involving enlargement of Magog printworks, $500,000.

Reilly Hardware and Supply Co., Rouyn, Quebec; tenders contemplated for proposed store block, $75,000.



ROYAL TRUST BUILDING

Indirect lighting, high speed elevators, air-conditioning, a water-washed roof for cooling the structure in hot weather and the use of glass brick for both decorative and light purposes are only a few of the ultra modern features of the new Royal Trust Building in Toronto. The structure will be ready for occupancy by the Royal Trust Co. and other tenants by Nov. 1. It was designed by Allward and Gouinlock, Toronto architects.

May Construction Awards Fail to Equal April Total

Although construction activity, as indicated by Canadian building contract awards in May, was slightly less than in April, general engineering and bridge awards were higher in volume, according to MacLean Building Reports Ltd. Residential building awards showed no change in volume, compared with April and industrial awards showed a decline from $2.9 millions in April to $1.5 million in May. The May total of $24.1 millions was considerably above the May, 1936, figure of $14.9 millions, however.

Comparative figures follow:

Canadian Construction Awards in May

	May, 1937		April, 1937		May, 1936	
	No.	$	No.	$	No.	$
Apartments	38	865,500	42	689,300	16	264,000
Residences	2,300	5,594,900	2,002	5,746,000	1,377	4,277,300
Total residential	2,070	6,460,400	2,044	6,435,300	1,393	4,541,300
Churches	38	361,400	30	196,700	21	309,600
Public garages	102	435,100	83	374,800	82	305,500
Hospitals	12	692,500	7	148,600	4	131,300
Hotels, clubs	47	260,000	55	672,300	44	261,400
Office bldgs.	42	513,900	41	282,500	35	436,900
Public bldgs.	66	368,100	49	435,800	35	351,900
Schools	39	890,600	30	565,900	29	332,400
Stores	234	730,700	250	680,800	197	565,900
Theatres	16	283,000	18	243,700	9	176,000
Warehouses	53	508,700	67	972,200	53	380,000
Total business	649	5,044,000	630	4,573,300	509	3,250,500
Total industrial	120	1,535,500	109	2,950,700	55	2,306,900
Bridges	18	1,736,100	10	79,000	15	180,100
Dams, wharves	6	103,300	4	59,700	6	30,300
Sewers, watermains	14	250,200	8	115,400	20	58,100
Roads, streets	83	6,110,600	72	9,245,000	84	2,942,700
General engineering	61	2,930,400	48	968,200	36	1,652,900
Total engineering	182	11,130,600	142	10,467,300	161	4,864,100
Grand total	3,021	24,170,500	2,925	24,426,600	2,118	14,962,800

Contracts Awarded

	No.	$
Five months, 1937	10,165	80,006,200
Five months, 1936	6,269	56,905,100
Five months, 1935	7,039	57,073,100
Five months, 1934	5,742	48,707,800

Contemplated Construction

	No.	$
Five months, 1937	14,592	213,193,500
Five months, 1936	9,431	114,195,900
May, 1937	3,565	40,020,800
April, 1937	3,840	38,434,600

Security Offerings

Metropolitan Building

Particulars of the new first mortgage bonds of Metropolitan Building, Toronto, which were offered recently, are as follows:

$750,000
Metropolitan Building Ltd.
First Mortgage Bonds

Dated May 15, 1937: $200,000 4¼% serial bonds due May 15, 1938-42; $200,000 4½% serial bonds due May 15, 1943-47; $350,000 5% sinking fund bonds due May 15, 1952.

Principal and semi-annual interest payable in Toronto, Montreal or Winnipeg in Canadian funds. Sinking fund bonds redeemable on any interest date on 30 days notice at 102 to May 15, 1942; thereafter at 101 to May 15, 1947; thereafter at a premium decreasing ¼% each year to May 15, 1951; thereafter to maturity at par.

Company—Owns and operates the 21-story Metropolitan Building, Toronto, completed in 1924.

Security—A first mortgage on the building and land valued as at March 31, 1937, on the company's books at $1.2 million, after depreciation, and assessed at $834,000 in 1936.

Trustee—Chartered Trust and Executor Co., Toronto.

Purpose—To provide funds for the redemption on July 15, 1937, at 103 of the $686,100 of 7% first mortgage bonds and for other corporate purposes.

Offered — In April, 1937, by McLeod, Young, Weir & Co., Toronto, at 100 and accrued interest.

York-Adelaide Realty Reports Lower Deficit

York-Adelaide Realty Co., operating the York Garage, Toronto, reports a slightly lower deficit for 1936 than for 1935. Revenues from tourist trade recovered considerably in 1936.

Tax arrears have been reduced slightly from earnings and amounted to $41,310 at Dec. 31, 1936, compared with $43,394 at the end of 1935.

Interest on the $400,000 of 7% first mortgage bonds and $126,000 of 6½% refunding mortgage bonds is in arrears from Dec. 1, 1931. The company states that shareholders' equity has entirely disappeared.

Income and Deficit Account
Years Ended Dec. 31

	1936	1935
	$	$
Gross trading profit	14,332	12,610
Storage revenue	38,359	35,341
Other revenue	1,954	1,550
Total revenue	54,645	49,501
Less: Oper. expenses	49,139	45,177
Operating profit	5,506	4,324
Less: Depreciation	8,073	8,259
Interest	39,079	39,119
Deficit for year	41,646	43,054
Add: Prev. deficit	206,898	165,144
Less: Adjustment	......	1,500
Deficit forward	248,344	206,898

D.H.A. Lending At $8 Millions

Ontario, with $3.6 millions, leads the Dominion in volume of Dominion Housing Act loans issued up to June 5.

Loans at that date for all Canada were $8,057,444, totalling 1,161 loans by which 1,812 families obtained housing accommodation. The average loan per family unit is $4,447.

Total loans under the D.H.A. to date, by provinces, are:

D. H. A. Loans at June 5

	$
Ontario	3,664,142
Quebec	3,082,306
Nova Scotia	777,959
British Columbia	252,950
Manitoba	142,964
New Brunswick	97,759
Prince Edward Island	37,164
Saskatchewan	2,200
Alberta	nil
Total	8,057,444

Construction World

H.I.P. Prospects

Preliminary estimates of total Home Improvement Plan loans at May 31 place the figure in excess of $4.6 millions and according to findings of the Canadian Institute of Plumbing and Heating, another $15 millions will probably be added during the summer period between June and September inclusive.

At the present rate of H.I.P. lending the estimate may appear somewhat optimistic, but there are several reasons why the institute believes a much higher volume of loans will be reached in the next few months. One reason is that the H.I.P. record to date in Canada shows much greater progress, proportionate to population, than the Federal Housing Act scheme in the United States at the end of six months operation. F. H. A. guaranteed loans now exceeded $500 millions.

Canada has an advantage over the U. S. so far as the plumbing and heating industries are concerned. The Canadian industry is acting in unison to win public support for its products while in the U. S. each plumbing and heating manufacturer, wholesaler and retailer worked independently to get his share of F.H.A. business The Canadian industry's share of total H.I.P. business to date is 31%.

Another factor pointing to broadening of H.I.P. operations is that for every dollar spent on H.I.P. loans about $3 to $4 have been spent in cash or by private financing as a result of co-ordinated advertising and promotion efforts of all building industries. The cumulative effect of large scale H.I.P. promotion has not yet been felt, it is believed.

* * *

Alberta Loses Out

Every province except Alberta has participated in the money available for loans under the Dominion Housing Act and up to June 5, more than $8 millions had been loaned for new construction.

Alberta is in an unfortunate position so far as construction is concerned, but it is a direct result of the Aberhart Government's policy of interference with private contracts, debt and interest rate reduction by arbitrary methods and the accompanying destruction of investors' confidence in Alberta. Both the Dominion Housing Act and the Home Improvement Plan failed to work in Alberta for those reasons, and not a single dollar has gone into the D.H.A. construction although 1,812 families in other provinces have been able to build new homes with D.H.A. loans.

Discussing the reason Alberta residents are deprived of the benefits of D.H.A. loans, the Calgary Herald says:

"People with money will not invest it in this province while the present lack of confidence continues. They do not know from day to day what may happen. At present a moratorium is in force on debts incurred prior to December 31, 1935. Obviously this does not apply to obligations created since that time, but there is no knowing what the present Provincial Government may do in the future in the way of debt reduction. The creditor of today may find himself in the sad position of the creditors of 1935 and previous years, unable to collect a cent of the money owing him. Until investors of all kinds are assured of a fair deal from the Government, any broad scale investment in this province need not be anticipated."

THE STAMP OF Quality!
THORP-HAMBROCK CO. LIMITED MONTREAL CANADA
THOR PROTECTS IT
VARNISH PRODUCTS
TESTED DURABILITY
TRADE MARK REGISTERED

THORP-HAMBROCK CO. LIMITED
MAKERS OF
PAINTS, VARNISHES, LACQUERS & ENAMELS
MONTREAL — CANADA

Tribute to Progress

Outstanding in its modernity and beauty, in its decidedly up-to-date facilities and in its rugged strength of construction, the new Dominion Public Building in Halifax is a model of convenience and utility.

Construction of this edifice, which commenced on October 1, 1935, and was completed November 30, 1936 — three months ahead of contract, was marked throughout by the use of the best materials obtainable and the fullest use of the resources of Foundation Maritime Limited.

FOUNDATION MARITIME LIMITED
135 LOWER WATER STREET, HALIFAX

"In twenty years of roof building I'VE LEARNED A THING OR TWO!"
HEINZ
MURRAY M MADE

Section of the H. J. Heinz Co. factory at Leamington, Ontario, the world's largest Tomato Ketchup establishment.

In roofing, as in any other scientifically developed branch of construction, our present knowledge is the sum-total of past experience with materials and methods always striving toward perfection!

We take those materials which, through actual performance, under all conditions of weather and temperature, have been **proved** the most long-wearing and dependable—then, specifications for laying are issued in conformance with those sound practices which have been proven to be effective—and **finally**, Murray Engineers supervise every detail of installation. These three factors take all the guess-work out of roof-building and contribute equally to the confidence with which Murray roofs are specified throughout Canada.

FREE INSPECTION

Only a thorough inspection by a roofing expert will disclose the exact condition of your roofs today. A free inspection is yours for the asking. Write or 'phone our nearest office.

Alexander MURRAY & Company
LIMITED
MONTREAL TORONTO HALIFAX
SAINT JOHN WINNIPEG VANCOUVER

Affiliated with Dominion Tar & Chemical Co. Limited—Canada Creosoting Company Limited—Fibre Conduits, Canada, Limited

Following are a few of the corporations and institutions which have chosen Murray Made roofs:

Sun Life Building
Canada Life Ins'ce. Co., Toronto
The T. Eaton Co. Ltd., Toronto
Campbell Soup Co., Toronto
Canadian Pacific Railway Co.
Federal Government
Harbour Commissioners of Halifax
Harbour Commrs. of Saint John, N.B.
Bank of Montreal
Bank of Nova Scotia
Beauharnois Power Corporation
Bell Telephone Co. of Canada
Canadian Bank of Commerce
H. J. Heinz Co.

Banking

Dominion Names A Scot As New General Manager

Robert Rae, 31 Years With Bank and Authority on International Banking, Joins Roster of Notable Scottish-Canadian Senior Bank Executives

A few blocks west of Toronto's city hall is a large Chinese community of importers, shopkeepers, curio dealers and produce merchants, many of whom speak no English. Nearly all, however, conduct their business at nearby branch banks by means of intricate foreign exchange transactions.

That situation has driven more than one young bank clerk to the verge of mental collapse, but it also explains why many a Toronto Chinese in business since 1916 smiled with pleased satisfaction at the announcement that Robert Rae has been named the new general manager of The Dominion Bank.

They recall that Robert Rae is the quiet, kindly, patient and businesslike young accountant who calculated taels in terms of Canadian dollars, somehow understood their halting English, and straightened out a hundred difficulties for them back in 1916 at the City Hall branch of The Dominion Bank.

This week, the erstwhile 26-year-old accountant is acknowledging congratulatory letters from bankers and business associates in Canada, the United States and England on his appointment to the senior executive position in the service of The Dominion Bank. His promotion on June 10 coincided with his forty-seventh birthday and marked the thirty-first year of his association with the bank.

Still Unassuming

But his friends say that in the essentials of character that marked the junior clerk of 1906, the ledger-keeper of 1907, the teller of 1910 and the accountant of 1916, he has not changed in any particular. He is still the unassuming, friendly, hard-working associate of whom junior bank officials say "You feel that you want to do your best when you are working for him."

It is the complete absence of affectation or "side" that remains as a lasting impression on anyone who meets Robert Rae for the first time. In this he runs true to type in two directions, heredity and environment.

Heredity, because while he was born in Toronto, his father, the late John Rae, was a native of Berwick-on-Tweed and his mother was born in Dunoon, Argyllshire.

By environment, because in joining the ranks of senior Canadian bank executives he is also another Scotsman to prove the long-established fact that Scots somehow or other find their natural bent in the higher spheres of finance. He now takes his place with the Airds, MacLeods, Burns, Stewarts, Ritchies and others whose Scottish names bulk large in the roster of Canadian bank presidents and general managers.

Born in Toronto

Born in Toronto, Mr. Rae attended public school and the old Technical School on College Street, entering the Dominion Bank's service in 1906 as a junior clerk. The usual round of relieving assignments at Brampton, Uxbridge and other villages in the Toronto area led to Lindsay in 1908 and back to Toronto two years later as teller of the West Toronto branch. Acting accountant in Hamilton in 1914, Mr. Rae returned to Toronto in 1916 when foreign exchange banking facilities were far from the complete service that exists in all branch banks today.

At the City Hall branch in Toronto, Mr. Rae's Chinese customers gave him plenty of material on which to exercise abilities that later had much to do with his successive promotions. Specializing in a knowledge of foreign exchange banking, he already had a wide experience in that field on being transferred in 1918 as accountant to the main office in Montreal.

But it was only a first step to bigger things and after two years of close study of exchange and international banking methods in the export centre of Montreal his most important promotion came in 1920 on his appointment as assistant agent for the bank in New York. He spent nine years in New York, representing the bank in all forms of international banking and exchange transactions, returning to Toronto as manager of the Toronto main office branch in the summer of 1929.

International Banking

Mr. Rae is not given to talking about himself. He has little to say, indeed, about the details of the period of 27 years in Toronto, Montreal, New York and Hamilton, but it is significant that most of that time was spent in the three most important financial centres of Canada and the U. S. The ability to form sound judgments in matters of international banking, involving large amounts, does not go hand in hand with an exuberant nature and only his immediate banking associates know the details or magnitude of his services to the bank in that connection.

Sufficiently indicative of his technical and management qualities covering a wide range of banking experience, is the fact that Mr. Rae's appointment as assistant general manager in 1931 followed two years in which market values were in a state of collapse, companies and business firms were closing their doors and something dangerously close to chaos had occurred in financial centres of the United States and Europe. Significant, too, is the fact that neither in 1929 or later was there a single Canadian bank failure, which may again have some connection with the predominant influence of Scottish bankers in the Canadian banking field.

The new general manager, who succeeds the late Dudley Dawson, is widely known to the managers and staffs of the branches over which he now assumes executive direction.

Never stand-offish, he has travelled widely in the bank's service across Canada, in the U. S. and England. With the late Mr. Dawson he met out-of-town bank officials at periodical conferences during the winter months in Toronto at which frank discussions of banking and banking problems brought head office executives and branch managers into close contact and understanding.

"Could Not Let Him Down"

The Financial Post asked one of the Dominion Bank's officials what, in his opinion could be termed the outstanding characteristic of Mr. Rae.

"His friendliness," was the prompt reply. "He is a disciplinarian, and expects every employee of the bank to give the best that is in him, but the staff knows him and the feeling among them is that you could not let him down. If he finds cause for a reprimand it is given in a friendly, helpful way. There is nothing of the driver in Mr. Rae. He is a leader with the quiet assurance that goes with leadership."

Which description is about as accurate as it could be, for this unassuming, friendly and brilliant man of five feet 11 inches looks what he is. A banker who is also a fair golfer, a fisherman when the opportunity presents itself, a married man whose social life also includes membership in the National Club, the Toronto Hunt, the Granite Club and the Strollers' Club and by no means least important or significant, a member of the St. Andrew's Society.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par	June 7	June 8	June 10	June 11	June 12
U. S. Dollar, High		.99 31/32	1.00	1.00 1/32	1.00 1/16	1.00 1/32
Low		1.00	1.00	1.00	1.00 1/32	1.00
1936, High		1.00 1/16	1.00 1/16	1.00¼	1.00 1/32	1.00 1/16
Low		.....	.....	.....	.....	.....
U. K. pound		4.93½	4.93⅝	4.93½	4.93⅝	4.93¾
Australia		3.95	3.95	3.95	3.95	3.95⅛
Austria		.1875½	.1875½	.1875½	.1876¼	.1875½
Belgium		.1685½	.1686	.1687¼	.1689½	.1688½
Brazil		.0664	.0663	.0660	.0665	.0665
Czechoslovakia		.0348⅞	.0348¾	.0348¾	.0348⅛	.0348¾
Denmark		.2204⅝	.2205¼	.2203¼	.2204⅜	.2205⅝
France		.0445⅜	.0445½	.0445	.0445¼	.0445¼
Germany		.4006¼	.4006¼	.4006¾	.4008½	.4009¾
Greece		.0090¾	.0090½	.0090⅝	.0090⅝	.0090⅝
Holland		.5500¾	.5500¾	.5500¾	.5502½	.5500¾
Hungary		.1975⅝	.1975⅝	.1975⅝	.1976¼	.1975⅝
India		.3732¼	.3728¼	.3730¼	.3729⅜	.3728¼
Italy		.0526½	.0526½	.0526½	.0526½	.0526½
Japan		.2876⅞	.2874⅞	.2875⅞	.2875¾	.2870⅞
Jugoslavia		.0233	.0233	.0233	.0233¼	.0233
New Zealand		3.98	3.98	3.98	3.98	3.98⅛
Norway		.2481¾	.2481¼	.2480¼	.2480½	.2482¾
Poland		.1897	.1897	.1896	.1896	.1896
South Africa		4.92½	4.92⅝	4.92½	4.92⅝	4.92¾
Sweden		.2545¾	.2546¼	.2545¼	.2545½	.2546¾
Switzerland		.2284¾	.2285¼	.2286	.2290¼	.2291¾
Hong Kong		.3040	.3039	.3039	.3036⅞	.3035

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Incorporated 1855

BT237

Quinte and Trent Sells Two Plants

Proceeds Amount to Over 40 Cents on Dollar of Bonds

Quinte & Trent Valley Power Co. has reached agreement with the Hydro-Electric Power Commisison of Ontario to sell to the Commission the power plants at Campbellford and Frankford, Ont., for approximately $325,000.

The senior security of the company is the first mortgage bond issue, totalling $679,800, and it is expected that sale of the plant will produce an amount equivalent to more than 40 cents on the dollar for bondholders. Bond interest has been deferred from Jan. 1, 1931, to July 1, 1938, at which time the cumulated interest becomes payable. Sinking fund payments from 1930 to 1937 have also been waived.

Leaves One Plant

Sale of the two Trent Valley plants leaves the company with a steam electric plant at Toronto, in connection with the mill of Canadian Paperboard Co.

The Hydro-Electric Power Commission plans to install additional power facilities in the Trent Valley plants to increase the capacity by about 1,000 horsepower. The two plants are therefore expected to provide a total of some 5,300 horsepower to the Hydro, which will construct transmission lines to tie the plant into the eastern Ontario system. The whole programme is expected to cost the Hydro some $470,000.

Bank Chat

Budding Savants

If third year honor examinations in economics are an example of the knowledge expected from budding economists of the University of Toronto, that institution is well on the way toward producing a new generation of savants.

Some of the questions asked on the 1937 examination paper would be a nightmare for legislators. There is, for example, the following:

"What financial difficulties may be associated with the use of public works as a remedy for depression? How, and under what circumstances, are the difficulties most easily avoided?"

More than one politician would give a lot to know the answer to that one.

Then there is the neatly posed query, "To what extent do you think that the central bank fulfills or will fulfill the expectations of its sponsors?"

Still another is "How far do you think that the Bank (of Canada) could control, or should try to control, the external value of the dollar by influencing its internal value?"

Perhaps the most enticing opportunity for embryo economists to cut loose is the optional, "Describe the various types of money in use in Canada and indicate the chief uses to which each is put and how its supply changes in good times or bad."

A possible answer is found in the Alberta Gazette of May 31, 1937, under a notice that opens with the words "Whereas the issuance and circulation of prosperity certificates has been discontinued, and unsold certificate stamps in the hands of vendors have been recalled . . . ." But after all that may not be the kind of money the examiners meant.

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And Then What?

"Drive-in" refreshment booths are common sights along any highway, but now the "drive-in" bank has made its appearance, although not yet in Canada.

Security-First National Bank in Los Angeles has opened a branch with a semi-circular driveway through a lobby. The motorist drives in through the lobby entrance, parks at a bullet-proof cashier's cage and transacts his business.

For the bandit in the well known "high-powered automobile" a warm reception awaits, and among other anti-bandit devices are heavy metal grilles at both the entrance and exits to the lobby. Suspended overhead in the wall space, they crash to earth when a teller presses a foot-pedal, trapping bandit and car inside. No details are available as to what happens after that.

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Lapse of Memory

The Economist, of London, is rated among the world's leading financial and economic publications, but its special banking supplement, in which it claims to make "A survey of British and foreign banking," leaves the reader guessing whether the erudite Economist has become "high hat" or merely forgetful.

Front cover of the banking supplement carries a panel list of leading subjects, including "British Banking Trends," "American Banking," "German Banking" and "Chinese Banking," but no word of "Canadian Banking."

Inside, an index reveals that brief reviews are printed of six Canadian banks on two pages, five of them occupying a single page. Listed as "Canadian and W. I. Banks" are the Bank of Canada, Montreal, Nova Scotia, Dominion, Commerce and Royal. Lost in the shuffle, forgotten, ignored or merely crowded out are the Bank of Toronto, Imperial Bank, Banque Canadienne Nationale, the Provincial Bank and of all things, Barclays Bank (Canada).

Weekly Bank Clearings

	June 10 1937 $	Change Year Ago %	June 3 1937 $
Halifax	2,366,901	— 8.1	2,154,346
Saint John	1,475,612	—21.2	2,164,328
Moncton	716,032	+10.3	911,295
Sherbrooke	630,825	— 4.6	735,837
Quebec	4,258,067	+ 5.7	6,352,686
Montreal	84,343,770	—20.6	127,554,281
Ottawa	23,693,207	— 6.3	20,511,853
Kingston	628,084	+16.3	628,317
Peterborough	578,205	— 8.6	721,682
Toronto	96,892,334	—29.8	167,496,793
Hamilton	4,787,336	+13.8	5,775,788
Kitchener	906,692	— 3.9	1,417,510
Brantford	798,177	— 0.8	1,048,135
London	2,266,394	—23.1	3,177,144
Chatham	472,578	— 6.0	560,218
Windsor	2,371,378	— 9.1	3,606,616
Sarnia	494,955	— 9.7	576,173
Sudbury	688,544	—27.3	1,059,727
Fort William	675,410	—36.0	936,451
Winnipeg	31,439,252	—40.1	52,674,754
Brandon	236,043	—22.3	369,992
Regina	2,873,755	—18.0	4,128,273
Moose Jaw	548,094	— 4.1	678,227
Edmonton	3,294,427	—10.0	4,406,059
Saskatoon	1,236,758	—17.6	1,579,651
Prince Albert	344,072	+ 9.4	339,126
Medicine Hat	190,931	— 7.3	229,683
Lethbridge	347,299	—22.8	446,236
N. W'minster	564,469	— 3.6	762,875
Vancouver	15,358,075	—14.3	22,221,583
Victoria	1,527,318	—11.5	1,931,260
Calgary	3,945,210	—27.4	6,068,844

Bank of Canada Weekly Statement

Balance Sheet

	June 9 1937 $	June 2 1937 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	131,391,451	131,715,743
Rest. fund	743,716	743,716
Dep.: Dominion	21,841,293	21,110,401
Banks	192,468,477	190,562,339
Other	612,420	901,024
Total deposits	214,922,190	212,573,764
All other liabs.	2,180,279	4,203,716
Total liabs.	359,337,636	359,336,939
Assets		
Reserve: Gold	184,057,927	187,366,120
Silver bullion	2,482,498	2,437,047
Res. in sterling and U. S.	22,831,116	17,560,702
Total reserve	209,371,541	207,363,869
Subsidiary coin	178,903	186,512
Investments:		
Dom. govt. short	42,385,210	44,299,084
Other Dom. govt.	102,665,450	103,238,175
Total invest.	145,050,660	147,537,259
Premises	500,068	500,067
All other assets	4,236,465	3,749,232
Total assets	359,337,636	359,336,939
Reserve ratio	60.45%	60.22%

Staff Changes

The Canadian Bank of Commerce has made the following changes in staff:

P. BARR, formerly assistant manager at Hamilton, to be manager at Midland, Ont.

E. J. BEGER, formerly manager at Midland, to be manager at Niagara Falls, Ont.

R. C. AMES, formerly manager at Niagara Falls, to be manager at Yonge & College, Toronto.

The Bank of Nova Scotia has appointed C. M. KILLAM assistant manager and W. A. PARKER accountant at King & Victoria, Toronto.

Moose Jaw Cut Opposed

Creditor Groups May Revive Refunding Proposals

Holders of more than 20% of the outstanding debt of the city of Moose Jaw will be opposed to the plan to reduce bond interest by 40% from July 1, 1937, to June 30, 1938, The Financial Post is informed.

The order to reduce interest by 40% was made by the Saskatchewan local government board and would be effective unless protested by holders of 20% of the debt by June 21.

The Financial Post understands that major creditors feel the city requires some relief but that the proposed interest reduction does not provide it satisfactorily. The view is taken that the 40% cut for one year would merely postpone the trouble.

There is a possibility that creditor groups will propose an adjustment of the city's debt along the lines of the schemes offered for Calgary and Edmonton. Those schemes involve cancellation of the city debt in the sinking fund, and extension of the term of the debt. In effect the plans involve refunding of the present bonds at the current rates of interest with a reduction to 4½% from the present dates of maturity to the new maturity dates.

The creditor viewpoint is that such refunding would avoid default and would reduce total debt charges, partly by extending sinking funds over a longer term, and would enable Moose Jaw to balance its budget.

A general refunding scheme of the Calgary and Edmonton type for Moose Jaw was suggested not long ago to the local government board, which, however, came forth with the order for a temporary reduction of 40% in all interest rates. There is believed to be a possibility that the board will reconsider the refunding proposals provided that more than 20% of creditors oppose the order for the one-year interest cut.

B. C. to Persist On Market Act

Amendment to Legislation Upset by Court Likely Next Session

From Our Own Correspondent

VANCOUVER.—Notwithstanding the blow received when a supreme court recently ruled the programme unconstitutional, British Columbia's compulsory marketing laws will probably be amended at the next session of the legislature with a view to making them conform with the court's interpretation of provincial powers.

In the meantime the Government is preparing to appeal the case to the supreme court of Canada and possibly to the Privy Council. The Pattullo Government is committed to a policy of compulsory marketing and for that reason will carry its fight to the court of last resort.

Mr. Justice Alex Manson declared the provincial marketing measure ultra vires, and the Dominion act covering substantially the same ground was declared invalid by the Privy Council several months ago.

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B. C. Industry Seeks to Curb Log Exporting

Australian Shipment in 1936 Enough to Keep Mill Going for Year

LOSS FOR PAYROLLS

From Our Own Correspondent

VANCOUVER.—One of the most perplexing problems facing the timber industry in British Columbia these days is the growing tendency to export logs rather than manufactured lumber.

It is an old story in some aspects, because in almost every political campaign in the province the issue is revived. The Provincial Government is invariably criticized for permitting the loss of manufacturing dollars by authorizing sale of raw logs to foreign countries, and the Government inevitably comes back with the explanation that it has no control over Crown grant timber from which the exports are taken.

The Provincial Government, as a matter of fact, does keep a close check on log exports from timber actually within its jurisdiction. Occasionally it grants special permits in the case of certain timber for which there is no regular market within the province. For instance, a considerable volume of hemlock and spruce is said to have been shipped to Port Angeles, Wash., and other Washington points from Vancouver Island because the wood would otherwise have rotted in the forest.

Australian Shipments

But the chief complaint is against the growing shipment of logs from areas in the province over which the provincial authorities have no power of regulation. Last year, for instance, more than 73 million feet of logs were shipped to Australia alone. That amount of timber would have kept a big sawmill busy in British Columbia an entire year, providing wages for several hundred men. It is claimed that a log converted into lumber at home represents three times as much in revenue to the province as a log exported.

The Australian Government supports that view and has developed a tariff schedule that encourages the importation of logs but puts a tax on imports of finished lumber. It is understood that Hon. W. D. Euler, Canadian Minister of Trade and Commerce, endeavored to bring about an adjustment of this tariff that would assist B. C. lumber mills, but while no announcement has been made as to the success of the negotiations, indications are that Australia will continue her present programme.

Large investments have recently been made in sawmills in Sydney and Adelaide, and these mills are equipped to handle the softwoods from the Pacific northwest rather than the hard native woods of Australia. Quite naturally Australia is not likely to take any hurried action to jeopardize this industry. Another factor that has influenced lumber buying adversely is the increase in freight rates recently from around $7 a thousand to $20. Incidentally this high transportation charge may prevent Australia from using B. C. hemlock for box-making.

Japanese Markets

Another important log buyer in the British Columbia market is Japan. In the years immediately following the earthquake of 1923 Japan was one of the biggest purchasers of B. C. lumber anywhere. Most of the demand was for so-called Jap squares. True, these did not represent much manufacturing, but considerably more than the logs which are now so much in demand. The Japanese have their own sawmills and prefer, when possible, to buy logs rather than lumber.

But within recent months Japanese buyers have been worried by the exhaustion of the Crown grant timber stands which provide them with their only access to exportable logs. Much of the Crown timber has been cut and big British Columbia logging interests such as H. R. MacMillan Export Lumber Co., Canadian Western Timber Company, Bloedel-Welch & Stewart and Green Point Timber Company have been acquiring the remaining privately held stands from such owners as John D. Rockefeller and the MacLarens of Bathurst, Que.

Faced with the prospect of a dwindling supply of logs, Japanese have been recently sounding out the market for standing timber. The great Mitsui interests of Japan are said to have scouts in British Columbia now, making aerial inspection of likely properties. A deal for 2.5 billion feet of timber in two separate stands was reported under way in Vancouver recently, although it is temporarily suspended.

Foreign Ownership

Ownership of timber by foreign interests is no new thing in British Columbia. American capital is still heavily interested in standing timber in some of B. C.'s largest forest areas, and United States money has been a vital factor in developing the lumber and logging business, but British Columbians, already conscious of Oriental domination of several fields of commerce, of fruit and truck crops and of Japanese encroachment in fisheries are likely to take a less complacent view of purchase of a log supply by Asiatic interests, especially when every log exported means the loss of payroll money.

Wabasso Cotton Co. Pays Extra on Common

From Our Own Correspondent

MONTREAL. — Wabasso Cotton Co. has declared an extra dividend of 15 cents on the common in addition to the regular quarterly payment of 25 cents. The declarations are payable July 2 to shareholders of record June 19.

On the basis of earnings during the year ended May 1, 1937, the company can cover the increased distribution without difficulty. Earnings per share last year totalled $3.37.

This is the second distribution made to the shareholders this year, 25 cents having been paid on Jan. 2, 1937. Prior to that the last dividend was paid on Oct. 1, 1928.

Strike Effects Abate Slightly

But Increase Over a Year Ago Is Continued

Slight abatement of the effect of labor disputes in Canada last month, in comparison with April, is reflected in the monthly report on strikes and lockouts issued by the federal department of labor.

Though there was a fractional increase in the number of disputes recorded, the average number of workers involved in each strike was reduced, chiefly as a result of settlement of the General Motors strike in Oshawa before the end of April. There was a consequent drop of about 25 per cent last month in the total number of workers involved in strikes, and of more than 60 per cent in the working time loss. The improvement would have been more marked had not the garment workers' strike in Montreal overlapped into May.

While offering some encouragement in comparison with April of this year, last month's strike record reflected continuation of the startling multiplication of disputes and the spread of labor unrest in comparison with a year ago. In May, 1937, the number of disputes and the number of workers involved were both tripled in comparison with the same month last year, and the loss of working time was doubled.

In addition to the dress factory strike in Montreal, chief disputes last month were those involving silk knitting workers in Toronto and steel workers in Sorel, Que. The main dispute in May a year ago was the strike of loggers and sawmill workers in British Columbia. At the end of last month, 14 disputes, involving 3,600 workers, were still in progress.

The comparison of the figures referred to is tabulated below:

Strikes in Canada

	1937		1936	
	May	April	May	April
No. of disputes	44	38	14	17
No. workers involved ...	10,255	13,097	3,928	1,909
Loss (man-working days) ..	56,920	148,677	28,712	14,424

Spotlight on Labor

"Dr." Paddy Draper's medicine seems to be ineffective as treatment for the threatened split of internationally affiliated labor bodies in the Dominion. The shot in the arm that the Trades and Labor Congress head administered, to put together the severed sections of the Hamilton Labor Council, has apparently worn off. The plugged up fissure between the C.I.O. and American Federation of Labor groups in the council is again breaking open.

In addition, developments in two other centres menace the hitherto preserved unity in Canada of branches of American unions allied with the C.I.O. and A F. of L. In Toronto, the grudging allegiance to the "united front" of old line A. F. of L. unionists is wavering, as a result of the move toward political labor action launched by C.I.O. and left wing delegates in the Toronto Labor Council. In Montreal, an open break with C.I.O. units has been precipitated by launching of an organizing drive among steel workers by the International Moulders Union, loyal A. F. of L. group.

For several months, agents for the Steel Workers Organizing Committee and the Steel, Iron and Tin Workers Union, both C.I.O. units, have been engaged with the aid of Communist field operatives, trying to unionize Montreal steel workers. They now face the direct competition of what was hitherto an A. F. of L. craft union, and the possibility that steel company executives, hostile to the C.I.O., will be more agreeable to make terms with the A. F. of L. agents than with the C.I.O. groups.

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United Front Cracking

Unless these breaches in the wall of unity can be closed, the bitter struggle for supremacy between the C.I.O. and A. F. of L. in the United States is likely to be paralleled in Canada. Organized labor in Canada is already split into two camps of national unionists, the C.I.O. and A. F. of L. branches so far jointly affiliated with the Trades Congress; the National Catholic Unions in Quebec, and various independent unions, both national and international. Further splitting into hostile competitive camps of C.I.O. and A. F. of L. groups portends little else but trouble and unrest, and can only work in the long run to the disadvantage of the organized labor movement and the workers as a whole.

Cleavage within international labor ranks and a scramble between rival bodies to enroll unorganized workers, may ease the pressure for unionization on some employers. Campaigns for membership do not usually thrive on competition; either the objects of such campaigns end up by joining neither faction, or both groups fail to gain sufficient strength for effective action. Employers may find themselves able to fend off the C.I.O. by dealing with the more conservative A. F. of L. units, or in a position to refuse to deal with either group because of difficulty in determining which the bulk of their employees support.

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Settlement Formula

The compromise formula which finally settled the big strike at the Oshawa plant of General Motors in April again proved effective recently in ending the strike at the plant of Walker Metal Products Ltd. in Windsor. As in Oshawa, the chief issue in Windsor was recognition of the C.I.O. affiliate, the United Automobile Workers. Again the deadlock was broken by use of suave phraseology which left both sides satisfied.

In effect, the formula enables the company to maintain its refusal to recognize or deal with the union specifically as an organization. But the agreement is made with employee representatives belonging to and designated by the union, which is accepted by the unionists as actual if not technical recognition.

Canadian Employers Seek Direct Contact With Their Workers

Endorse Principle of Collective Bargaining But Deplore Tendency of Unions to Drive Wedge Between Management and Employee

By GUY S. CUNLIFFE

In a recent issue, The Financial Post presented a summary of the views of leading Canadian industrialists on labor relations generally, on the labor problems at present confronting this country, and on means by which those problems could be met. The accompanying article is the first of a series of four, analyzing the attitude of industry upon the chief aspects of the labor relations question, as disclosed by The Financial Post survey.

Amid the rumbles and upheavals of promoted labor unrest, Canadian industrial leaders keep striving for the soundest long-term basis of peace, harmony and satisfaction in their labor relations.

In doing so, the majority of them are radicals—believe it or not. For they seek to get at the roots of the matter and resolve the fundamentals, which brings them within the broad and original meaning of "radical."

The real, year-in-year-out crux of the problem is more than disputes over unions and open shops, wages and hours, in the minds of important industrial spokesmen. The prime essential is that management and employees shall have direct, mutually confident access to each other; be able to settle each other's problems and complaints with co-operative recognition of each other's rights.

Collective Bargaining

By and large, they recognize the principle of collective bargaining where any substantial number of employees is involved, a recent labor relations survey by The Financial Post has revealed. But they endorse collective bargaining in its broad sense, in most cases rejecting unions because so often unions have tended to drive a wedge between management and workers, to create a hostile class division, to maintain their hold on workers by stirring up of grievances.

The survey shows that an increasing number of executives are realizing they must make the desired direct contact with their workers as close as possible. They must make it quickly to demonstrate the direct method's advantages in comparison with the union system before the union gets its propagandists to work. Whether it is through plant councils or employee representation plans in the larger plants, or in periodic informal consultations in the smaller plants, the contact must be made and maintained.

The view and reports reaching The Post from both classes show an active endeavor to attain these ends. Executives with plant councils are studying and strengthening them to make them as effective as posible in these trying days. Those without such plans are attempting to evolve some such basis. And there is growing (though not yet universal) concession of the right of workers to speak in a body and to press their claims to benefits and security as extensive as circumstances permit.

While there is evident an unyielding belief in the efficacy of plant councils and employee representation plans as the best available means of co-operative industrial relations, the fundamentals of fair dealing and mutual confidence are apparently regarded as far more important than the method adopted.

Sound Management

These fundamental considerations must be observed in regard to sound labor relations, just as much as they must form the basis of workable general management of industry, a nationally known executive believes. He says:

"The building of a successful enterprise requires that the basic interests of the employee, employer and the consumer be kept constantly in mind and one of management's main functions is to see that this is done. Specifically, management has the right to expect its employees' support in making the quality and cost of the institution's products increasingly attractive to the consumer.

"We feel that close co-operation between employee and employer to this end, and an understanding of the mutual problems involved in its pursuit, can best be obtained through the works council's system; provided management is serious in its desire continuously to improve working conditions and to increase the living standard and security of its employees as industrial standards progress."

In the opinion of A. O. Dawson, president of Canadian Cottons, the interest in the employing organization which all workers should have cannot be maintained unless they have simple means of access to the management. He adds:

"When every individual in a factory or workshop feels that he is free to interview any member of the executive, up to and including the president, then as a rule he is satisfied. But if there is no bond of sympathy between the management and the workers, trouble of some kind is sure to arise sooner or later, and when this happens the whole organization is bound to suffer."

Uphold Shop Councils

Says the executive head of a large enterprise engaged in production of heavy machinery:

"We are unfavorable to any movement which breaks down the system of shop councils, which has existed in many industries over a period of years, and which has worked out satisfactorily to both employer and employee alike. The advantage of discussions with representatives drawn from the industry itself, in comparison with negotiation with outsiders, is that the former usually possess a knowledge of the industry's problems and are more sympathetic to the conditions under which their own industry operates."

The same commentator believed that there was no foundation, in regard to the majority of industries and companies, for the objection of "U. S. labor organizations" to the shop council, employee representation or "company union" systems. The ground for the objection appeared to be, the executive in question noted, that the plant council savored of paternalism, usually met in company time on company premises, and did not leave the workers free agents.

The contention that there is no general application of collective bargaining, union or otherwise, in all industries, is advanced by a Montreal executive. He says:

"Collective bargaining denies the right of every employee subscribing to it to bargain with his employer individually on the basis of his individual merit or skill. There are some industries in which it is very difficult for an employee to bargain individually with his employer. In the building trades, for instance, the term of employment with one employer may be relatively short and a workman may work for several employers in the course of a year. Under such conditions, a collective agreement with a group of employers seems desirable.

"In a large number of industries, employment is relatively permanent and the employee has an opportunity of exercising his individual skill and intelligence."

Preserve Harmony

The same man regarded as a public responsibility, which he felt most employers accepted, the preservation of harmony between management and employees, and assurance to employees of maximum earnings and continuity of employment.

The inevitability of collective bargaining as the ultimate in labor relations is also denied in comments of a financier and industrial executive. In his opinion:

"It is idle to speak generally in regard to collective bargaining, with or without a union. In the last essence, fair treatment of labor should provide the proper bond between the employee and employer, and the closer that association, the better will be the interpretation of each by the other. The varying circumstances surrounding labor relations must be considered in connection with any formula which one assumes to establish for the fostering of a good understanding between the employed and the employer. Many examples may be found of unfair practices on both sides."

Basic reasons for Canadian industry's opposition to the Committee for Industrial Organization and its activity in Canada are discussed in the second of this series of articles which will appear in The Financial Post next week.

Rackets

Fake Sweepstakes

Pitfalls besetting the path of unwary purchasers of lottery or sweepstake tickets were revealed by recent raids in Montreal, Boston and New York City on offices of the "St. Paul Hospital Sweepstake." Branded by the Montreal Better Business Bureau as "a fake from start to finish," the scheme contemplated printing and distribution to Canadian and American suckers of 3.5 million tickets at $1 each. Elaborate precautions were taken in printing the tickets in the eastern townships of Quebec, and in guarding against detection in shipment of tickets to Canadian and U. S. points.

At one of the places in Montreal where the fake St. Paul's Hospital sweep tickets were seized, police also found tickets for the New Louisiana Lottery, Newfoundland Hospitals sweepstake; the F. G. C. Destitute Fishermen of the Gaspe Coast Quebec Charity Sweep; Army and Navy Veterans, Quebec Unit 33; and the Irish Hospitals Trust Sweepstake. Some were out and out fakes and other were old tickets on events which had taken place in the past. According to police, many fake sweepstake schemes have been launched in recent years, usually by promoters in American cities who establish distribution headquarters in Canadian centres. Fake or not, all lotteries are illegal in Canada.

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Cash Bonds

Exposure of the "cash bonds" racket was the particular task to which R. H. Neilson, general manager of the Montreal Better Business Bureau, devoted himself in a recent broadcast. He related instances in which eager job seekers had been swindled out of amounts ranging from $25 to $500 by racketeers posing as officials of out of town industrial plants, or promoters of new inventions and enterprises which never were launched. The bond is usually asked as guarantee of good character and ability, or as assurance that the applicant will turn up to take the offered "job."

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"Bootleg Radios"

Whatever view is taken of the patent situation that prevents importation of United States radios into Canada for resale, the Canadian patent pool indirectly has the effect of checking sales of cheap "bootleg radios," which have become a problem among United States dealers.

Warnings are current in business circles across the border, emphasizing the necessity of dealers' reliability when unusually low-cost radios bearing well-known names are offered for sale. The Federal Trade Commission is active in the effort to stamp out a racket involving thousands of radio sets of good appearance and designed along standard lines, but containing one or more dummy tubes and bearing counterfeit metal name plates. Among the well-known companies whose name plates and cabinet designs are being forged are R.C.A., General Electric, Majestic, Marconi, Edison, Victor, Bell and Brunswick.

C.M.A. Names W. D. Black As First Vice-President

W. D. Black

W. D. Black, new first vice-president of the Canadian Manufacturers' Association, was born in Toronto and received his education in its schools and at the University of Toronto, of which he is a graduate in mechanical and electrical engineering.

He started work with the Fensom Elevator Works in 1900 and became foreman of elevator construction. After taking his degree at the University in 1910, he was appointed superintendent in Montreal for the Otis-Fensom Elevator Co. In 1914 he became manager for Quebec and the Maritime Provinces; in 1918 engineer in charge of munitions production at the Hamilton plant; in 1919, manager of construction; in 1921, works manager; in 1925, general manager; in 1927 vice-president and in 1935 president.

Mr. Black was chairman of the Hamilton branch of the association in 1929-1931 and for several years was chairman of the Commercial Intelligence Committee. He is a director of the Bank of Canada.

Name Dunn President Of Canadian Wirebound

Alfred M. Dunn, Toronto, formerly vice-president and managing director, has been elected president of Canadian Wirebound Boxes Ltd.

Mr. Dunn takes the office formerly held by James Playfair, of Midland, who died recently.

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-or working in the office

you'll feel better . . . look better, too, in THE BRACER

Entirely new kind of supporter gives trim, youthful athletic, figure—guards the vital regions—supports stomach muscles

MEN! Here's the kind of supporter belt that gives firm, adequate support without the slightest discomfort. A belt that keeps you slim, youthful, athletic. It's The Bracer!

Now at last you can improve your appearance—and feel better, too. Your clothes will look better. For The Bracer is scientifically tailored for positive protection and perfect fit with complete and absolute comfort. Knitted from two-way stretch lastex with four flexible ribs (removable if desired) at the top to prevent rolling and with a soft yarn, *fly-front* supporter at the bottom, The Bracer is the last word in comfort, convenience and fit. The exclusive *fly-front* means that The Bracer can be worn all day without removing and there are no annoying buttons or buckles to bother with.

And that's not all! The Bracer launders without shrinking or loss of elasticity—stays soft, comfortable and snug after repeated washings. It's sturdily made, yet it won't rub or chafe—gives lasting wear and support, for the seams of The Bracer are impregnated with live rubber and will not loosen or pull out. The Bracer is made by Bauer & Black, famous makers of medical and surgical supplies . . . the largest manufacturer of athletic supporters in the world—your assurance of comfort, fit and lasting quality.

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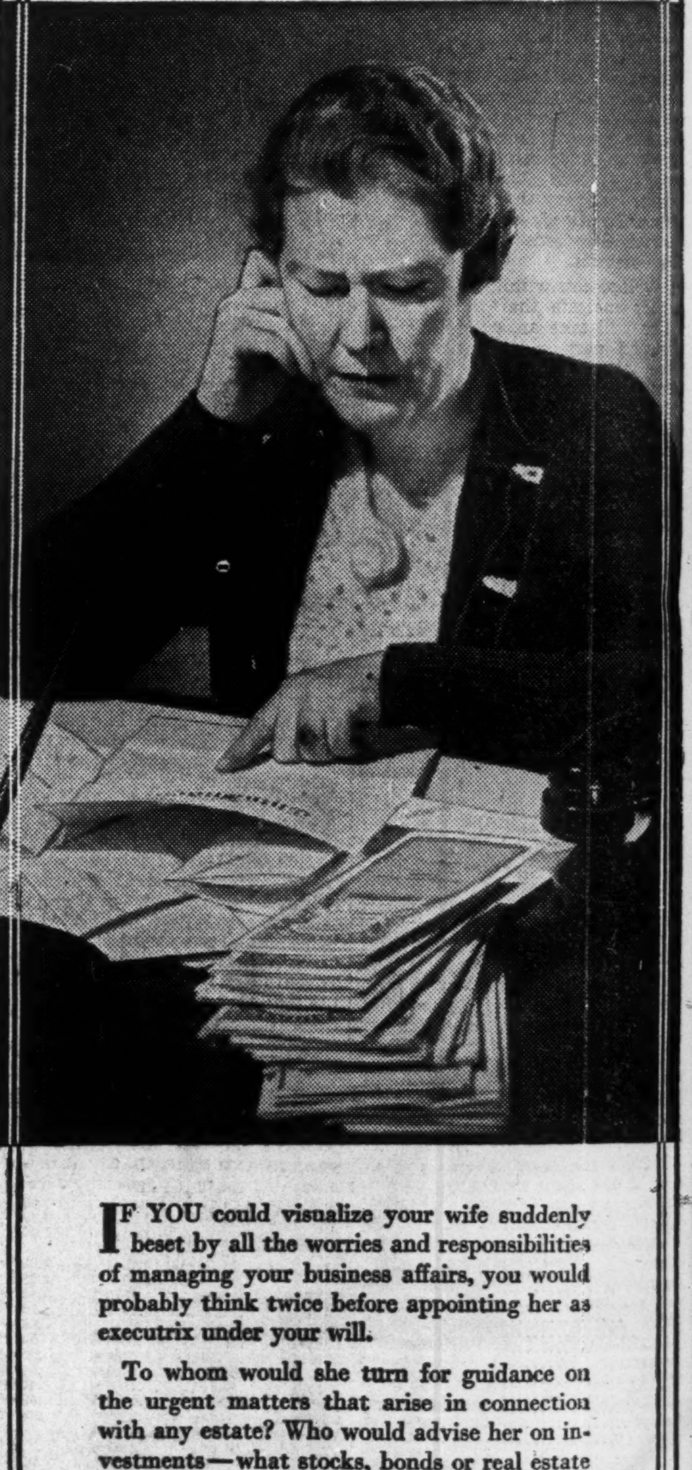

IF YOU could visualize your wife suddenly beset by all the worries and responsibilities of managing your business affairs, you would probably think twice before appointing her as executrix under your will.

To whom would she turn for guidance on the urgent matters that arise in connection with any estate? Who would advise her on investments—what stocks, bonds or real estate should be retained or sold? Would she be competent to settle succession duty, income tax, and other claims? Would she be exposed to the importunities of friends and relatives?

Such questions need not concern you if you adopt the wise course and appoint the National Trust as executor. You can be sure that your wife will have a friend in time of need, a fully qualified executor who will give sympathetic consideration to any suggestion she may make. And you will have the comforting knowledge that your estate will be efficiently managed and conserved by specialists of long experience and seasoned judgment.

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Quebec Catholic Unions Acquire New Influence

Marked Increase in Membership, Backing of Church and State, Extend Power of Syndicates

In the new militancy and growing strength of the National Catholic Unions, industry in the Province of Quebec faces an influence which has already registered its effects and has a potential future significance of even greater importance.

Always a factor to be reckoned with in certain fields, the Catholic labor syndicates have acquired a new force in those fields and are extending their power in industries where their foothold was negligible or nonexistent. According to an estimate given The Financial Post by Alfred Charpentier, general president of the Federation of Catholic Workers of Canada, the total membership has been increased by more than 15,000 in the past three years, standing now at nearly 45,000.

This strength is still growing and is thrusting the Catholic union organization toward a position of new effectiveness. All indications are that it will be a major influence in a combination of factors, now tending to make consideration of labor relations and labor costs of greater consequence than before in the industrial set-up in the province.

Combination of Factors

This combination includes the intensified interest of the Catholic hierarchy in the social and economic welfare of workers, manifested largely in more active support of the Catholic unions; the influence of the provincial government, whose labor legislation and general attitude lean heavily in favor of the Catholic unions; the general pressure for improved working conditions arising out of business recovery; and the aggressive agitation for unionism generally, springing largely from the C.I.O. and other international unions.

The net long term effect of these influences should be abatement to some extent of the conditions which have periodically provoked in the past complaints, especially from Ontario, of the competition of "sweated labor" industries in Quebec. The protests have been directed mainly at the smaller factories producing textiles and other consumer goods. They have been partly responsible for revision of Quebec labor legislation to balance industry in the province against Ontario's, covered by the Industrial Standards and Minimum Wage statutes.

Developments within the past few months indicate that the Catholic unions will take an active and determined part in this movement. Since their inception, the Catholic unions have adhered to a policy of conciliation, avoidance of strikes and fostering as far as possible of cooperative, reasonable relation with employers. Rival union bodies have at times complained that these relations have been too reasonable, and have operated to impede improvement of conditions for non-sectarian unionists and workers generally.

New Truculence

Be that as it may, the Catholic bodies are now showing themselves quite prepared to resort to strikes to break deadlocks with employers, and imbued with a new truculence reflected by demands for substantial wage increases and "closed shop" agreements. They appear determined to be aggressive and powerful enough to stultify the campaigns of the C.I.O., other international unions and Communist agents against all of whom the syndicates are emphatically antagonistic.

This new spirit has been reflected in recent months by several strikes involving Catholic unions in textile plants in rural areas, such as those at St. John's. In Montreal, the strike of the internationally-affiliated women's clothing union was productive of bitterness, because the Catholic unions fought against yielding the foothold obtained among workers of some of the garment factories. The international group finally won out.

Perhaps the most arresting evidence of the new militancy of the Catholic unions was in the steel workers' strike at Sorel, Que. There is some dispute as to whether the strike was called by Catholic union organizers, and as to the extent the men had been unionized before the strike. But there appears no doubt that union agents gave leadership to the strikers, extended union membership, and directed the negotiations that resulted in an advantageous agreement for the workers in the affected plants.

Steel Workers Enlisted

A dominating majority of the men are enrolled in the Syndicate of Metallurgical Workers, a new union marking the first entry of the Catholic unions into the field of heavy industry. It also launches the open competition of the Catholic unions against the effort of the C.I.O. to mobilize steel workers in Montreal and other Quebec centres.

The steel workers went back to work under an agreement which they claimed gave them a virtual closed shop, and paved the way for wage increases. Progress of the strike was featured by beatings of both union and non-union workers, an attack on the homes of several company officials, and, significantly, manhandling of two Montreal organizers for an international clothing workers union.

While the Catholic unions have thus far been unable to build up a strength comparable to that of the international unions among garment workers, they are becoming increasingly strong among building artisans, textile workers, pulp and paper workers, and shoemakers. The syndicates also have unions among barbers, railway employees, printers, asbestos workers, furniture workers, and general laborers. In Montreal, the street railway workers syndicate has prevented the international union from getting an exclusive status.

Favored by Government

Encouragement of the Catholic syndicates and hostility to both C.I.O. and A. F. of L. unions, has been manifested by the Quebec Government in various ways. Premier Duplessis and Labor Minister Tremblay both tried to break the Montreal strike of the international garment workers union, called when employers made an agreement with a Catholic union. In periodic pronouncements they have reflected antipathy for international unions generally, especially if they are allied with the detested forces of the C.I.O. and Communism.

In addition, the Government's Collective Labor Agreements Act (similar to Ontario's Industrial Standards Act, gives the labor minister power to withhold recognition from unions lacking a defined status which closely resembles the avowed basis of the Catholic unions.

In its challenge to international unions and its new bid for power in the labor field the Catholic federation enjoys, as always, the backing of the Catholic Church. Particularly in the rural areas, this counts for as much, if not more, than the Government's support. Employers and workers alike among faithful Quebeckers are highly susceptible to the direction and advice of the church, even when this direction and advice is transmitted indirectly through priests who ostensibly function solely to give moral guidance to members of Catholic syndicates.

Supervised by Chaplains

The national federation and all local unions of the Catholic unions have chaplains, appointed by the Church, whose offical purpose is to ensure adherence to Catholic principles and doctrines. Actually, however, the chaplains exercise considerable power in the active operation and business affairs of the syndicates, and so close has the relation become between the Church and the syndicates that the latter are regarded as almost a civil wing of the Church's close-knit organization.

It is by no means impossible that resurgence of the Catholic unions may have been inspired directly by the Church, which certainly appears to have given direct encouragement to the recent organizing activities of the syndicates. Not long ago, Cardinal Villeneuve himself spoke publicly of the social and economic problems of today, and favored the corporate state as the best solution of such problems. He seemed to lean toward a species of Christian socialism in which labor would achieve greater cohesion and dignity and reap greater rewards.

Under the constitution of the national federation, its chaplain-general, Father Bertrand of Montreal, is by right a member of all congresses, may attend meetings of all committees, and has the same rights as delegates. He may demand that a resolution affecting morals or Church teachings be submitted for approval to Church authorities.

In the formation of general policies, drafting of plans of campaign, negotiations with employers, and conduct of strikes, all the chaplains work in close collaboration with civilian union leaders. Syndicate meetings are often held in the parish halls.

Concentrated in Quebec

Canada is the only British country having Catholic trade unions, and virtually all are in Quebec. There are some in Ottawa, across the river from Hull, Que., and study circles in Sudbury and Hawkesbury. The Catholic union movement was founded in Germany 65 years ago, and now is active in 110 European countries. They had their inception in Canada 35 years ago, when a dispute in Quebec was settled by the archbishop. The national federation was formed in 1921.

Up to 1918, there were a number of Catholic unions composed of non-Catholics, but these have disappeared. Non-Catholics may join as associate members, but are not eligible for office.

The stated aims of the international organization of the Catholic unions repudiate "violence and class strife on the part of the employers as well as on that of the workers," and record an intention to "modify society by a process of evolution organic and legal."

Road Costs Set Stage for Probe

From Our Own Correspondent

EDMONTON. — Charges and countercharges regarding road construction under the Aberhart Government set the stage for an investigation by the Legislature's public accounts committee into the administration of highways funds by Hon. W. A. Fallow, minister of public works.

Insurgent government members are pressing for the investigation, and Charles Cockroft, M.L.A., former provincial treasurer, declared investigation into the Edmonton-Wetaskiwin construction work in 1936 would show "excessive costs."

Pogue Certain His Invention Will Succeed

Experts Hope For 50 to 60 Miles "as a Start"

Is Nelson Pogue's much-debated carbureter a dud?

Are the claims that it would enable an automobile to travel 200 miles or more on a gallon of gasoline nothing more than a visionary's pipe-dream?

Or will the Pogue carbureter suddenly come to life after the haze of mysterious silence on the part of Pogue and his associates during the last six months?

A staff editor of Canadian Automotive Trade visited Pogue recently in his workshop in Winnipeg. He saw the carbureter models, watched them operate, examined them inside and out, and discussed the invention in detail with Pogue.

Deluged with letters enquiring about the carbureter, staff editors of Canadian Automotive Trade decided on a searching probe of the whole matter.

The result, in the words of the magazine's editor, in the current issue, is that "Pogue made his claims and allowed some demonstrations, but he has not proved his device to our satisfaction.

"On the other hand," Canadian Automotive Trade continues, "there are a number of happenings and facts in connection with the affair that make it impossible to dismiss it as 'another of those fakes'."

Pogue Sticks to His Claims

Canadian Automotive Trade reveals the following facts:

1. "Pogue does not back down on a single claim.

2. "He is more confident than ever that he will give the public a high-mileage device.

3. "He is working harder than ever, and now has assistance in his experiments.

4. "His demonstrations under a contract with John E. Hammell of Toronto, were interrupted, and he returned to Winnipeg to develop some new designs, but the results secured by investigators in the preliminary Toronto trials (published in Canadian Automotive Trade) still stand, and Mr. Pogue has every intention of living up to the existing contract."

Personal impressions of Canadian Automotive Trade's staff editor, following his Winnipeg visit to Pogue are revealing. He says:

"Personally, I have yet to have the 200 miles per gallon, or better. carbureter proved to me. However, what I have learned since this discussion started has convinced me that, for a start, 50 or 60 miles per gallon is probably possible.

Sixty Miles on Gallon?

"Experts disagree on this, of course, but it is hard to get them to agree on anything.

"Assuming that Nelson Pogue really has what he claims, I would not be surprised to see him develop a low-price carbureter in the 60 m.p.g. range as a starter, working the mileage up from time to time if he finds that possible. Still assuming that he is right, there are many difficulties in the way of completing a fool-proof big-mileage job that can be commercially produced, and used by anyone in the way automobiles are customarily used. The matter of quality of fuel may enter into this discussion, but I am sceptical of much of the talk I have heard about this matter recently.

"I find it difficult to credit claims that Nelson Pogue is a 'crook,' and so do those in the best position to know him. If he had been smart enough to get away with a crooked deal these many years, he would have been smart enough to 'get his' out of it, which he has not done, as the public would realize if they knew the inside story of his experiences. Further, he would have been smart enough to realize that now was the time to fade out of the picture, which he decidedly is not doing."

West May Engage Economist To Draft Commission Brief

From Our Own Correspondent

EDMONTON. — Engagement of a competent economist to advise in the preparations of briefs from the three western prairie provinces for submission to the royal commission on taxation and the financial relationships of provinces, has been favorably considered by representatives of Alberta, Saskatchewan and Manitoba.

An effort will be made to retain Dr. Jacob Viner, of the University of Chicago, Hon. Solon Low, Alberta provincial treasurer, revealed. Professor Viner is recognized as the outstanding authority on problems of east-west economic relationships.

Another possibility for the task is Dr. Robert MacQueen head of the department of economics, University of Manitoba, who is a director of the Bank of Canada.

The Prairie Provinces will not submit a common brief, but close cooperation in making submissions will be observed, in order to eliminate overlapping. An effort will be made to emphasize mutually issues on which there is common agreement.

In Alberta, a committee headed by Mr. Low, of which D. M. Duggan, provincial Conservative leader, is a member, has already begun work on arranging committees to handle phases of Alberta's proposed submissions.

Liberals Assume Lead In Alberta Union Plan

Negotiations to Merge Parties Expected When Legislature Rises

From Our Own Correspondent

EDMONTON.—Negotiations likely to lead to a coalition of Liberal Conservative and other moderate political elements in Alberta are expected to commence as soon as the current session of the Legislature ends.

Since E. Leslie Gray, new Liberal leader, announced in accepting the party chieftainship that he was anxious to discuss with other political leaders ways and means of restoring sane government, public reaction has been favorable toward the suggestion. The selection of Mr. Gray, taken to mark a new era for the Liberal party and a break with what was called the "old guard" domination of the past, has given new impetus to that party.

League Supports Proposal

Elements backing the People's League are represented as solidly supporting the Gray proposal. The League's executive is not expected to take action either to disband or adopt other tactics, but sentiment among People's League adherents has been that Mr. Gray's offer to discuss coalition is a triumph for League Principles.

Meanwhile, the adjourned session of the Legislature intervened and, though Mr. Gray has had some contact with leaders of other political groups, definite discussions and decisions are waiting.

Mr. Gray's proposal for joint action with other groups, it is reported, was not in accordance with plans made by Liberal officials prior to the convention, nor was it at first in accordance with the views of Hon. J. G. Gardiner, the party's Ottawa patron. A point in favor of Mr. Gray, in the opinion of many, is that he stuck to his intention to make the offer and, in a lengthy interview before the convention, prevailed on Mr. Gardiner.

The coalition offer was Mr. Gray's price in accepting the party's leadership, and arose from the conviction that a strong union of moderate elements would be needed in the difficult and lengthy period required to restore Alberta after the Social Credit régime.

Agent of Douglas Offers Some Hope

From Our Own Correspondent

EDMONTON.—The latest in a parade of advisers and "experts" whom the need of assistance on the part of the Aberhart Government has brought to Edmonton, George Frederick Powell, London, England, businessman, has arrived as the agent of Major C. H. Douglas, author of Social Credit theory.

According to Mr. Powell, the Social Credit party in Alberta should restore unity in seeking results, and then Major Douglas is prepared to proffer his advice about establishing a Social Credit system, either to Premier Aberhart or others.

Social Credit Act Believed Ultra Vires

Western Lawyers Predict It Will go the Way of Debts Act

DELEGATES POWERS

From Our Own Correspondent

EDMONTON.—A study of the Alberta appeal court's judgment holding the Reduction and Settlement of Debts Act ultra vires has convinced a number of leading lawyers that the argument, in part, against that Act applies equally to the Social Credit Act.

The Social Credit Act, it is argued, is invalid because it delegates to the lieutenant-governor-in-council powers of legislation, one of the points on which the debt reduction Act was upset.

The principle of handing over authority to either the cabinet or some other subsidiary agency features the present Social Credit Act, as well as previous measures. The agency of this kind now in existence is the Social Credit Board, and the Act also provides for a provincial credit commission, not yet named.

Rights of Legislature

In the debt Act, the lieutenant-governor-in-council was empowered to exclude certain debts from the scope of the Act. Under Clause 1, Sec. 92 of the British North America Act, the judgment pointed out, the office of lieutenant-governor was excluded from the powers of a provincial legislature.

On the point of orders-in-council having the effect of legislation, the judgment noted that "Sec. 92 authorizes and therefore makes valid only legislation by a provincial legislature."

The judgment drew a distinction between regulations by order-in-council, for the purpose of making legislation effective, and the delegation of authority to make legislation, or independent enactments.

The Social Credit Act allows for orders-in-council to alter or supplement the provisions of the Act.

A. Kirk Cameron Heads Eastern Steel Products

A. Kirk Cameron, hitherto vice-president and general manager, has been appointed president of Eastern Steel Products Ltd. to take the place of the late James Playfair.

Harold A. Green of Bankers Bond Co., Toronto, has been elected vice-president and Gordon C. Leitch, president of Toronto Elevators, has been elected a director to fill the vacancy left by the death of Mr. Playfair.

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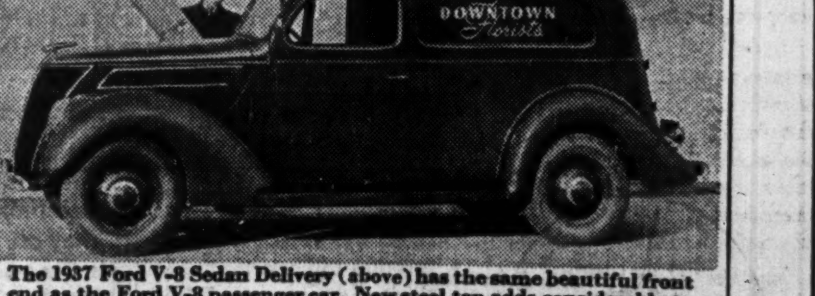
1937 Ford V-8 De Luxe Delivery

The 1937 Ford V-8 Commercial Models are designed and built for eye appeal as well as pocketbook appeal. They're easily the smartest delivery units on the road . . . winning you prestige and good-will by their handsome, modern appearance.

The sweeping new steel top and newly designed front end of the 1937 De Luxe Delivery (above) are matched by new economy and performance for 1937. Ford V-8 Commercial Models are powered by an improved 85-horsepower or an entirely new 60-horsepower V-8 engine, both of which establish new economy records for engines in their class. Performance is materially improved by refinements on the Ford V-8's many proved and approved quality features. Arrange with your dealer for an "on-the-job" test of the Ford V-8 Commercial Model or Ford V-8 Truck your work requires.



The 1937 Ford V-8 Sedan Delivery (above) has the same beautiful front end as the Ford V-8 passenger car. New steel top adds considerably to its trim appearance.

FORD V-8 Commercial Models
and 2-TON & 1½-TON TRUCKS

MACDONALD'S
"EXPORT"
PLAIN ENDS
MOISTUREPROOF PAPER
EXPORT
EXPORT "A"
EXPORT A
FILTER TIP

"EXPORT"
PLAIN . . . OR WITH
THE NEW FILTER TIP

With EXPORT—it's Quality first "plain ends" but with the advantage of moistureproof paper —or if you prefer, EXPORT "A", the new filter tip cigarette. In either case, fine quality tobaccos assure you full smoking satisfaction and pleasure.

Board Wins Union Gas Co. Share Voting

Shareholders 3 to 1 in Favor of Present Directors

FOUR BALLOTS

The management and directors of Union Gas Co. of Canada received the support of the majority votes of shareholders when the ballots and proxies were all counted by June 11. The voting was approximately three to one in favor in retention of present directors.

The meeting on June 8, called under requisition of one director, Eugène Coste, considered resolutions for removal of four directors, but the large number of ballots and proxies necessitated a postponement for the counting and checking of votes.

The first motion of Eugène Coste, seconded by Harold Freeburne, was a resolution "that S. A. Morse be removed from the position of a director of Union Gas Co. of Canada Limited." Similar motions were voted in connection with three other directors, A. F. White, Toronto; R. L. O'Brian, Buffalo, and W. J. K. Vanston, New York.

Method of Voting

Shareholders' ballots had a space for voting "in favor" of the resolutions and another for voting "against." In effect, therefore, it was necessary to vote "against" if the shareholder was in favor of the management and to vote "in favor" if one approved the resolution and disapproved the directors.

Votes on Union Gas Directors*

Director:	Against removal shs.	In favor of removal shs.
S. A. Morse	429,295	147,529
A. F. White	433,256	138,487
R. L. O'Brian	436,129	136,385
W. J. K. Vanston	432,288	140,226

*Additional votes, conditional upon further confirmation of proxies, were recorded in each of the four polls, 5,901 against removal and 1,276 in favor of removal of directors.

In order of preference with the voters, the ranking would therefore be: 1. Mr. O'Brian, 2. Mr. White, 3. Mr. Vanston, 4. Mr. Morse. The placing of Mr. Morse, the president of the company in fourth place may be due to lively discussion of his salary of $25,000 a year which seemed large to many shareholders.

The polls were tabulated by scrutineers Robert Barr and Eric Osborne, representing respectively the majority and minority groups of shareholders. The results were accepted without demonstration by the meeting which adjourned without further ado.

Lake St. John Power Develops Sulphite Sales

From Our Own Correspondent

MONTREAL. — Lake St. John Power and Paper Co. has under way installation of equipment for the packing and shipment of bleached sulphite pulp. Output of the company's plant is over and above requirements for paper making and the surplus, amounting to approximately 12,000 tons annually, will be sold on the open market.

Bleached sulphite fetches about $60 a ton on the market and it is expected that the additional revenue secured from this source will enable the company to take care of the cost of the additional equipment out of current earnings.

Supertest Pays Extra Dividend

An extra dividend of 25 cents has been declared on the common and ordinary shares of Supertest Petroleum Corp., along with the regular semi-annual payment of 50 cents a share. Both dividends will be paid July 2, 1937, and bearer share warrants will be ex-coupon June 30.

The regular semi-annual payment of 75 cents per share on the preferred stock has also been declared, payable July 2 to shareholders of record June 18.

Ontario Silknit Pays Funding Right Interest

An initial payment of $1 per right has been made on the income funding rights of Ontario Silknit, Ltd. This payment, which was made June 12, 1937, represents interest due on these rights for the year ended Dec. 31, 1936. Payment was deferred by the company pending receipt of the funds from the financing recently carried out in Australia.

The rights were issued in Jan., 1936, to preferred shareholders in settlement of dividend arrears.

Asbestos Output Double in Quebec

Production For First Four Months 124,769 Tons, Report Shows

From Our Own Correspondent

QUEBEC. — Asbestos production in the Province of Quebec, for the first four months of 1937, was nearly double that over a corresponding period last year, with 1937 figures showing that 124,769 tons of asbestos had been produced during the January-April period, as compared with but 69,884 tons for a corresponding period last year.

Production for the month of April, as compared with a similar month last year, was as follows:

		1937	1936
Asbestos	tons	42,267	19,605
Gold	ounces	56,531	56,722
Silver	ounces	50,848	52,718
Clay products	$	50,258	41,877
Lime	tons	15,128	10,769
Cement	barrels	167,432	139,732

Comparative figures for the January-April period each year are:

		1937	1936
Asbestos	tons	124,769	69,884
Gold	ounces	227,025	202,936
Silver	ounces	203,056	188,125
Clay products	$	163,389	145,446
Lime	tons	51,978	37,828
Cement	barrels	372,741	304,854

Company Reports

Porto Rico Power

Porto Rico Power Co. reports a minor decline in gross income during 1936 as compared with 1935, but net profit available for dividends shows an increase of over $4,000 at $397,704. After payment of the usual dividends on the preferred and common stock, there was a surplus of $87,704 as against $82,132 during 1935.

During the year the company wrote off its investment in the steam railroad and materially wrote down investment in the electric tramways. As a result there was written off the property account $2.6 millions and in addition $113,643 was written off goodwill, etc., by transfer from reserve account.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Gross income	992,662	1,001,918
Less: Interest	186,486	197,244
Directors' fees	5,000	5,000
Depreciation	300,000	304,125
Contingencies	90,000	90,000
Bond discount	13,472	12,417
Net profit	397,704	393,132
Less: Pfd. dividend	70,000	70,000
Com. dividend	240,000	240,000
Surplus	87,704	83,132
Previous surplus	1,021,278	938,146
Less: Adjustments	4,137	......
W/o property	1,040,282	......
Surplus forward	64,562	1,021,278

Working Capital

	1936 $	1935 $
Current assets	1,070,979	834,427
Current liabilities	553,249	866,584
Working capital	517,730	*32,147

*Excess of liabilities.

Remington Rand Inc.

Remington Rand Inc., Buffalo, whose shares are listed on the Toronto Stock Exchange, reports net profits for the year ended March 31, 1937, equivalent to $1.75 a share on the 1,549,158 common shares outstanding. In the preceding year, net profit was equivalent to $1.24 a share.

James H. Rand Jr., president, estimates that some $1.7 million of extraordinary outlays were absorbed in expenses last year. About $500,000 was due directly to labor difficulties and the balance was due largely to changes in locations of operations.

Dividends paid on the common shares amounted to 75 cents a share cash and 4% in stock dividends.

The capital structure has been simplified by redemption of the former $9.3 millions of 5% prior preferred and $6 preferred stock and issue of $5,132,000 of $4.50 preferred.

Income and Earned Surplus
Years Ended March 31

	1937 $	1936 $
Net sales	45,633,411	39,358,234
Less: Cost of sales	23,796,571	19,463,002
Selling, admin. exps.	16,913,160	15,477,800
Operating profit	4,923,680	4,417,432
Add: Dividends	308,905	256,166
Interest	294,896	266,708
Other income	396,314	348,884
Net earnings	5,923,795	5,289,190
Less: Depreciation	848,557	793,643
Debenture interest	861,506	998,042
Losses abroad	......	70,509
Income taxes	697,000	416,708
Net profit	3,516,732	3,010,288
Less: 1st pref. divs	112,874	109,621
$6 pref. dividends	443,982	526,182
$4.50 pref. divs.	413,928	......
Common dividends	1,090,167	......
Stock dividends	57,242	......
Surplus for year	1,398,539	2,374,485
Add: Prev. surplus	2,248,245	598,306
Less: Stock expenses	134,347	......
Debenture exps.	45,922	138,433
Debent. premium	3,800	69,940
Disc. on deb. exch.	......	516,173
Surplus forward	2,302,263	2,248,245

International Power

General Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Gross income	987,618	916,011
Less: Loan interest	58,936	84,236
Directors' fees	4,000	4,250
Legal fees	10,000	......
Misc. expense	24,049	35,815
Foreign exchange	33,638	37,742
Bond discount	12,607	12,607
Debent. interest	439,484	437,593
Net profit	404,904	303,768
Less: Pfd. dividends	480,000	240,000
Loss for year	75,096	63,768
Previous surplus	940,461	876,693
Surplus forward	865,365	940,461

Consol. Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Net earnings	2,588,679	2,567,552
Less: Sub. interest	440,589	463,771
Sub. dividends	96,765	97,219
Depreciation	829,549	773,625
Contingencies	90,000	90,000
Minority interest	18,930	29,648
Bond discount	32,179	24,308
Less: Misc. interest	33,163	18,707
Net income*	1,113,831	1,107,688

*Available to International Power Co.

Working Capital

	1936 $	1935 $
Current assets	2,183,914	1,997,896
Current liabilities	2,260,051	2,508,720
Working capital	*76,137	*510,824

*Excess of liabilities.

Appointments

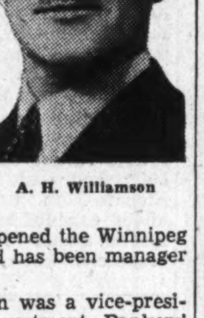
Wood, Gundy & Co. Moves London and Winnipeg Managers

Important staff changes announced by Wood, Gundy & Co., investment dealers, result in a move of W. N. McIlwraith from London, England, to the Toronto office and A. H. Williamson from Winnipeg to London, England.

William Norman McIlwraith is a vice-president of the firm, having been with the Wood, Gundy organization since its inception in 1905. He was the third partner in the firm, having been admitted to that status in 1911. Mr. McIlwraith is a native of Hamilton, and was educated there at Ryerson School and Hamilton Collegiate Institute. He worked with his father's firm, James McIlwraith Co., before entering the investment business. He has been manager of the Wood, Gundy London office for the past 15 years.

Williamson and West

Alan Holmes Williamson, who takes an intimate knowledge of western Canada to London, is also a vice-president of the firm. He was born in Toronto in 1895, which makes him 42 at present. His education was through Toronto public schools, Harbord Collegiate and the University of Toronto, and he joined Wood, Gundy & Co. as a junior in 1914 before his 19th birthday. In 1915 he was appointed to the Saskatoon office, and he was made manager at Saskatoon when he was 21. He opened the Winnipeg office in 1920 and has been manager since that time.



A. H. Williamson

Mr. Williamson was a vice-president of the Investment Bankers' Association of Canada from 1927 to 1930, and was honored with the presidency in 1931-32. Of course, it is now the Investment Dealers' Association, and it is not quite legal to use the term "investment banker."

Characteristic of the knowledge of western Canada and western business and finance that he has developed in the past 17 years, Mr. Williamson is a director of Federal Grain Ltd., Western Grain Co. and of British Columbia Packers, in which his firm has been interested financially.

Following the departure of Mr. Williamson for London, R. C. C. Henson has been appointed manager of the Wood, Gundy Winnipeg office. Mr. Henson is a Nova Scotian and studied law at Oxford University as a Rhodes Scholar before entering the investment business. He was in the Toronto office for some months and represented his firm in Saskatchewan before entering the Winnipeg office about a year ago. His location with the company up to the present has therefore been along similar lines to that of Mr. Williamson about 20 years ago.

R. C. C. Henson

Marcus Loew's Theatres To Pay $3.50 Per Share

A dividend of $3.50 a share has been declared on the preferred stock of Marcus Loew's Theatres Ltd., Toronto, payable June 30 to shareholders of record June 19. The payment reduces arrears of dividends to $42 a share.

The last previous payment was $1.75 a share on March 31, 1937. Payments in 1935 and in 1936 totalled $7 a share. In the year ended Aug. 31, 1936, the company had earnings equivalent to $12.51 a share on the preferred.

Supersilk Hosiery Pays Semi-annual Dividend

Initial dividend on the new 5% preferred stock of Supersilk Hosiery Mills has been declared. This is a semi-annual payment of $2.50 a share and will be paid July 2, 1937, to shareholders of record June 18.

The dividend rate of the company's preferred stock was reduced from 7% to 5% in Dec. 14, 1936, and preferred arrears of $17.50 a share were refunded by the issue of arrears certificates. Dividends on the new preferred were cumulative from Jan. 1, 1937.

Canada & Dominion Sugar Reduces Directors to 9

Shareholders of Canada & Dominion Sugar Co., Chatham, Ont., have approved a by-law reducing the board of directors from 11 to 9 members.

W. W. Mills and Ralph Gilchrist, Detroit, are no longer directors. H. R. Drummond, Montreal, and Howard F. Smith, Detroit, have been appointed vice-presidents. C. H. Houson remains president of the company and W. J. McGregor, secretary-treasurer.

Laidlaw Bale Tie Co. Has Offer For Assets

Acceptance of an offer to purchase assets of Laidlaw Bale Tie Co., Hamilton, has been authorized by the court, and the transaction may be carried out within 30 days. The company has been in receivership for several years and the Royal Trust Co. has acted as receiver and manager in the interests of holders of some $155,000 of first mortgage bonds which are outstanding.

Details of the probable returns to bondholders on their investment will be available after sale of the assets has been completed.

British Unions Non-Political

Relation With Employers Seen as Co-operative — Smooth Machine

Observations with a bearing on the increasingly live problem of labor relations in Canada are embodied in an article on the labor situation in Great Britain, appearing in the current monthly review of the Guaranty Trust Co. of New York.

Canadian employers have told The Financial Post in recent weeks that they believe stable labor relations can best be maintained by a co-operative contact between employer and worker, by avoidance of political entanglements such as those of the C.I.O. in the United States, and by legislation putting labor groups and employers on an equal basis. Such factors as these have contributed, it would appear from the New York survey, to employer-employee relations in Great Britain during the recovery period which have been "more satisfactory than in many other countries."

The review says in part:

Avoid Politics

"Perhaps the most striking impression from current labor conditions in Great Britain is that the less organized labor becomes politically involved, and the less government agencies penetrate into the affairs of labor unions, the more satisfactory are labor conditions likely to be, both from the point of view of the workers and the employers. The limits of both capital and labor activities were clearly defined by the Act of 1927; with these definitions as a guide, machinery has been set up to expedite trade disputes which has operated with commendable success.

"Parliament's attitude on labor questions has not sought to win political support by showing partiality to labor, nor has it permitted employers to exercise oppressive privilege at the expense of the rights of the working man. The government has taken the position that a spirit of co-operation between employers and organized workers, with a minimum of governmental interference, works best for the public welfare and brings material benefits to all participants in the industrial process.

Trade Union Progress

"Since the war, trade unions have progressed from illegal organizations under the old common law to recognized agencies in settling and preventing industrial disputes, and they are regarded by the State as responsible, representative bodies. The recognized status of organized labor and its co-operation with associations of employers have made it possible to prevent several impending strikes in recent years.

"There are now 248 national or general federations and associations of employers and 1,519 other employer organizations, strongly established in practically every trade, devoted exclusively to matters pertaining to employment and labor. Each employer federation maintains a committee or officials to negotiate with a similar group representing the unions in a given industry when differences arise.

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HIGH SPEED TIRES

Firestone Tires Have Kept Ahead of the Times With All These Extra Values
New Extra Rider Strip
2 Extra Cord Plies Under the Tread
Gum-Dipped Cords 25 to 40% Longer Mileage
Scientifically Designed Safety Tread

DODGE HAULS MORE ON LESS GAS!

New 1937 Dodge 1½-Ton Stake, 6-Cyl., "L"-Head Engine, 2 Wheelbases, to take 9' and 12' Bodies

Amola Steel Springs
Only Dodge gives you these longer-lived more resilient springs.

Roller-Bearing Universals
Pioneered by Dodge in low-priced trucks—check ruinous backlash.

Full-Floating Rear Axle
Pioneered by Dodge in low-priced 1-1½ ton trucks.

Four Main Bearings
Dodge gives you four main engine bearings to check vibration, prolong truck life. This feature was pioneered in low-priced trucks by Dodge.

Valve Seat Inserts
Also pioneered by Dodge in low-priced trucks—save valve grinding—save gas.

Only Filtered Air
gets through this oil-bath type air cleaner.

Four Piston Rings
Only Dodge of the lowest-priced trucks gives you four piston rings—the others only three—obviously Dodge construction is better — saves money on gas and oil.

NO WONDER TRUCK OPERATORS ARE SWITCHING TO DODGE

"I COULD hardly believe my own eyes when I saw all the extra-quality features Dodge gives you," says one enthusiastic owner. Another says, "My new Dodge not only handles easier and has more power but it also saves me $8 to $10 a month on gas." And so say thousands of truck buyers the world over who recently compared values and switched to Dodge. The difference between Dodge and other trucks is so great it is hard to believe! So a little "show-down" score card has been prepared. It shows you what Dodge has and what others have. It lets you see for yourself that you get a combination of special money-saving features—not just one or two extra-quality features, but actually dozens of them—in Dodge, that you won't find elsewhere. Before you buy, get a "show-down" score card. See your Dodge Dealer to-day!

New 1937 Dodge 3-Ton Chassis and Cab, 6-Cyl., "L"-Head Engine. Many money-saving features. Three Standard Wheelbases—133", 159", 177".

New 1937 Dodge Commercial Sedan, 6-Cyl., "L"-Head Engine, 116" W.B. Called "Canada's Swankiest Delivery Car."

New 1937 Dodge ½-Ton Pickup, 6-Cyl., "L"-Head Engine, 116" W.B. A money-saver for plumbers, contractors, public utilities, etc.

New 1937 Dodge ¾-1 Ton Panel, 6-Cyl., "L"-Head Engine, 136" W.B. New, for bakers, laundries, florists, department stores—all bulky loads.

New 1937 Dodge 1½-Ton Stake, 6-Cyl., "L"-Head Engine, 133" and 159" W.B., 9' and 12' Bodies. Many money saving features.

Easy terms gladly arranged to fit your budget through Commercial Credit Corporation of Canada Limited

Fire and Casualty

Insurers' Surplus Rises By $2 Millions in 1936

Canadian and Foreign Companies Increase Ratio of Assets Over Liabilities — Canadian Group Adds $4.1 Millions

Canadian, British and foreign fire and casualty insurance companies operating in Canada added slightly more than $2 millions to surplus during 1936. Surplus of all companies totalled $120.9 millions at the year-end compared with $118.7 millions at the close of 1935, but the gain is smaller than that recorded during 1935 when surplus increased by $6 millions following an exceptionally favorable loss experience.

Surplus figures of British and foreign companies do not represent surplus of the company as a whole, but only that part of the company's surplus applicable to Canadian business operations.

In the case of Canadian fire and casualty companies, results of 1936 operations are relatively more favorable than the general comparison with 1935 would indicate. Against an increase of only $2 millions for all companies operating in Canada, the Canadian group showed a surplus gain of over $4 millions, or from $43.1 millions in 1935 to $47.2 millions at the end of last year. British companies, on the other hand, lost ground with group surplus of $42.4 millions against $44.5 millions in the previous year, and foreign companies operating in Canada remained in much the same position as in 1935.

Six Canadian Companies Decline

From these figures a further breakdown of the year's results clearly reveals the extent to which Canadian companies led the upward trend in surplus totals. Of 51 Canadian companies, only six showed lower surplus than at the end of 1935, but 30 out of 68 British companies operating in Canada closed the year with reduced surplus and 37 out of 120 foreign companies reported lower surplus.

Increases in surplus, or the excess of assets over liabilities, of Canadian fire and casualty companies is calculated without including capital stock liabilities.

In the Canadian group, notable gains were made during 1936 by Western, Trans-Canada, Halifax British America, and Commerce Mutual. Reductions in surplus of British companies occurred chiefly among those reporting surplus totals between $1 million and $2 millions.

Surplus of companies operating in Canada during 1936 and 1935 is reported in detail as follows:

Canadian Companies

	Excess of Assets Over Liabilities (Excluding Capital Stock) 1936 $	1935 $
Acadia	1,052,871	943,139
Antigonish	22,627	21,717
Beaver	426,627	423,599
British American	3,036,971	2,497,922
British Canadian	438,140	380,022
British Colonial	......	78,034
British Empire	318,315	269,433
British Northwestern	703,587	681,903
Canada Accident	960,448	919,432
Canada Security	774,294	691,324
Canadian Fire	1,873,225	1,840,076
Canadian General	859,491	817,905
Canadian Indemnity	804,157	773,906
Canadian Surety	940,418	850,339
Casualty	186,469	177,423
Commerce Mutual	1,600,087	1,394,278
Consolidated	271,328	280,551
Cumberland	7,155	9,004
Dominion Fire	764,693	773,286
Dom. of Can. General	1,758,059	1,632,609
Economical Mutual	1,758,059	1,752,383
Ensign	451,483	481,103
Fire of Canada	895,599	835,028
Gen. Accident of Can.	1,378,204	1,345,672
Globe Indemnity	592,513	616,432
Grain	1,954,442	1,922,072
Guardian Insurance	994,625	929,598
Halifax	4,678,355	3,428,166
Hudson Bay	711,814	677,389
Imperial Guarantee	384,214	345,343
Imperial Insurance	685,523	649,867
Kings Mutual	130,568	117,384
Liverpool Manitoba	1,302,762	1,261,321
Lond. & Lancs. Guar.	681,948	656,015
London-Canada	907,395	851,828
Mercantile	579,790	582,282
National-Liverpool	343,502	316,152
North Empire	249,215	206,874
North West Fire	455,615	529,681
Occidental	1,184,151	1,104,665
Pacific Coast	1,806,331	1,659,498
Pictou County	57,926	49,497
Pioneer	346,953	307,986
Portage la Prairie	360,727	359,513
Quebec	579,649	554,254
Reliance	722,374	669,709
Scottish Canadian	386,567	360,077
Security-National	129,123	117,415
Trans-Canada	221,985	96,868
Wapiti	221,965	149,125
Wawanesa	774,548	730,855
Western	4,594,912	3,980,657
Totals	47,256,393	43,174,364

British Companies

	Excess of Assets Over Liabilities in Canada 1936 $	1935 $
Alliance Assurance	843,280	793,453
Anglo-Scottish	363,158	342,399
Atlas	855,359	816,513
Bankers and Traders	102,596	94,585
British & European	75,561	71,183
British Crown	217,013	228,733
British General	124,414	123,392
British Law	134,814	149,178
British Oak	201,621	181,663
British Traders	1,481,457	1,357,358
Caledonian	201,621	385,628
Car & General	338,586	312,768
Central	281,744	263,749
Century Insurance	515,979	533,678
China	123,209	121,645
Commercial Un. Assoc.	996,371	1,172,611
Cornhill	223,482	271,214
Eagle Star	255,404	270,573
Employers' Liability	1,370,768	1,641,704
Essex & Suffolk	136,058	125,742
Excess	172,070	164,303
General Accident Fire	895,822*	851,258
Guardian Assurance	1,371,552	1,683,313
Guildhall	372,970	266,844
Indemnity Marine	153,538	153,864
Law Union & Rock	742,836	798,637
Legal & General	308,492	296,959
Liverpool & London & Globe	2,128,797	2,700,871
Local Government	78,559	71,247
London-County	98,309	100,519
London & Lancashire	1,291,383	1,310,185
London & Provincial	233,229	245,953
London & Scottish	197,735	202,385
London Assurance	613,928	705,082
London Guarantee	542,645	549,6[illegible]
Marine	306,672	323,453
Merchants Marine	122,938	113,724
Motor Union	270,438	256,069
National Provincial	195,742	195,343
North British	2,006,715	1,817,551
Northern Assurance	487,060	421,557
Norwich Union	891,765	986,991
Ocean Accident	536,100	536,962
Palatine	283,981	491,623
Patriotic	105,796	132,237
Pearl	398,482	438,011
Phoenix of London	2,298,616	2,299,555
Planet	79,927	91,689
Provincial	187,020	193,164
Prudential Assurance	967,250	946,186
Queensland	233,196	248,332
Railway Passengers	542,622	524,702
Royal Exchange	1,039,790	1,021,558
Royal Insurance	2,276,185	3,147,619
Royal Scottish	82,192	68,390
Scottish Metropolitan	238,592	227,543
Scottish Union	1,082,850	1,025,528
Sea	239,419	237,589
Southern	261,028	257,265
State Assurance	267,363	254,955
Sun Insurance	735,821	815,943
Union Assurance	389,794	584,337
Union of Canton	1,956,883	1,798,378
Union Marine	808,846	786,148
Union British	131,684	118,478
Westminster	225,148	214,806
World Marine	249,763	255,697
Yorkshire	4,480,875	4,324,213
Totals	42,425,730	44,514,432

Foreign Companies

	Excess of Assets Over Liabilities in Canada 1936 $	1935 $
Aetna	684,616	693,809
Affiliated	85,895	103,673
Agricultural	170,887	170,863
Alliance Insurance	284,441	194,737
American Alliance	297,033	283,655
American Central	224,396	283,099
American Equitable	137,721	84,653
American Exchange	67,924	62,485
American Home Fire	132,039	98,502
American Insurance	239,099	213,847
American Reserve	72,131	94,111
Automobile	224,810	218,487
Baloise	78,779	89,139
Baltimore American	145,121	......
Bankers & Shippers	71,235	61,575
Bee Fire	65,351	56,299
Boston	143,114	128,185
Caledonia-American	55,613	45,203
California	131,358	134,729
Camden	131,359	128,021
Canners' Exchange	106,202	......
Central Manufacturers	151,889	149,675
Central Union	129,372	132,238
Citizens	187,172	173,724
City of New York	177,990	221,720
Columbia	304,529	293,377
Commercial Union	36,757	54,252
Commerce Insurance	205,040	......
Connecticut	315,455	304,137
Continental	701,674	871,794
County Fire	375,554	386,857
Eagle Fire	137,962	......
Eureka Security	104,658	......
Equit. Fire & Marine	202,338	200,478
Federal	190,804	177,804
Fidelity-Phenix	856,451	703,096
Fire Assoc.	307,642	322,840
Fireman's Fund	319,761	274,191
Firemen's Insurance	313,728	311,152
Fireproof Sprinklered	16,674	19,586
First American	221,642	225,934
First National	143,440	137,889
La Fonciere	187,510	134,475
Franklin	215,523	254,976
General of Paris	128,262	107,820
General Ins. of Amer.	349,052	306,337
Girard	113,443	109,033
Glens Falls	93,602	331,860
Granite State	92,314	96,751
Great American	922,524	903,717
Hanover	136,768	131,474
Hardware Dealers	231,645	209,481
Hardware Mutual	167,498	130,610
Hartford Fire	2,492,422	2,344,447
Home Fire & Marine	183,981	162,741
Home Insurance	1,784,898	1,943,973
Homestead	163,566	176,051
Imperial Assurance	121,440	112,981
Indiana Lumbermen's	102,600	96,420
Individual Underwrts.	107,648	90,791
Insur. Co. of N. Amer.	484,988	697,254
Ins. Co. of St. of Penn.	......	101,127

FOREIGN COMPANIES (Cont.)

	1936	1935
Inter-Insurers' Exch.	5,681	5,760
International	97,808	85,221
Lumbermen's Insur.	84,644	82,556
Lumbermen's Mutual	62,849	44,251
Lumbermen's Underw.	224,644	307,780
Lumber Mutual	106,576	85,199
Manuf. Lumbermen's	......	211,635
Maryland Insurance	162,898	184,149
Merchants & Manuf'rs	120,670	80,797
Merchants Fire	221,314	178,447
Mercury	144,219	172,495
Metropolitan Fire	145,208	167,942
Metropolitan Inter-Insurers	57,019	59,618
Michigan Fire	227,625	216,578
Miller's National	145,969	124,366
Mill Owners' Mutual of Iowa	178,152	174,234
Mill Owners' Mutual of Chicago	745	......
Minnesota Implement	174,016	146,355
National Ben-Franklin	417,691	392,027
Nat'l Fire of Hartford	368,859	376,302
Nat'l Fire of Paris	571,817	713,664
National Liberty	432,572	450,552
National Security	111,668	......
National Union	272,320	252,792
Newark	181,204	178,695
New Brunswick	282,023	284,613
New Hampshire	219,668	203,035
New Jersey	129,289	149,977
New York Fire	130,009	90,348
New York Reciprocal	89,756	67,329
New York Underwrts.	393,306	364,616
Niagara	414,217	384,030
North River	220,865	204,164
North Star	141,454	......
Northwestern Mutual	497,834	426,634
Northwestern Nat'l	989,107	970,629
Ohio Farmers	43,160	29,761
Pacific Fire	247,451	246,384
Pennsylvania Lumbermen's	127,244	105,254
Phenix of Paris	287,073	227,645
Philadelphia	127,764	129,571
Phoenix of Hartford	464,088	466,833
Pilot Reinsurance	112,478	110,473
Protection Mutual	3,115	......
Providence Washington	364,991	363,512
Providence of Paris	84,458	85,176
Queen of America	626,638	599,857
Retail Lumberman's	38,329	51,346
Rhode Island	130,033	117,815
Rossia	333,982	293,114
St. Paul Fire	413,555	489,632
Security	185,451	173,006
Sentinel	158,936	145,496
Springfield	493,901	450,947
Sussex	94,954	95,976
Svea	57,732	61,566
Switzerland General	95,745	......
Tokio	247,121	233,770
Transcontinental	60,065	53,047
Travelers Fire	198,777	121,677
Underwriters' Exch.	13,154	8,302
L'Union of Paris	197,810	114,689
United Firemen's	127,926	119,967
United Mutual	72,855	61,631
United States Fire	720,935	682,497
L'Urbaine	169,637	160,109
Westchester	353,937	263,210
World Fire	350,852	317,038
Totals	31,209,214	31,068,242

Group Totals

	1936 $	1935 $
Canadian	47,256,393	43,174,364
British	42,425,730	44,514,432
Foreign	31,209,214	31,068,242
Totals	120,891,347	118,757,038

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—because I found it was built to fit my life insurance needs."

This doctor is correct. Northern Life policies are specially built to fit the modern needs of professional and business men. The Northern Life specializes in supplying life insurance for a low outlay and at a low cost.

A Northern Life salesman has a policy which will fit your needs.

53

Northern Life
Assurance Company of Canada
Established 1897 Home Office: London, Canada

Life Company Sales

Monarch Life

Written business of the Monarch Life Assurance Co. in May, "President's Month," was the highest in seven years. It was the best month since June, 1930. In comparison with 1936 figures, there was an increase of 18%, with major gains being recorded in Manitoba, Saskatchewan and British Columbia.

• • •

London Life

An increase of $2.6 millions in new issued business during the first five months of 1937 is reported by the London Life Insurance Co., in comparison with the corresponding period a year ago. Compared with the 1935 total, the gain amounted to $8.5 millions.

Two Monarch Life Men Named For Promotions

Promotions of two Monarch Life Assurance Co. men are announced by the company this week. A. J. Bures, formerly supervisor of field service and advertising for the company, is named supervisor for Winnipeg. He has been associated with the company since 1924 and has held the post of supervisor of field service and advertising since 1931.

C. B. Jackson of Saskatoon, fifth ranking producer of the company last year, is promoted to succeed Mr. Bures as supervisor of field service, in charge of advertising, publicity, education and field services.

New Licenses

The following companies have been granted federal certificates of registry to write the classes of insurance named in addition to those for which they are already licensed:

Security Insurance Co. of New Haven—Fire, automobile excluding bodily injury, explosion, inland transportation, personal property, sprinkler leakage, tornado, and in addition, limited to properties insured for fire, falling aircraft, earthquake, hail and property damage caused by vehicles.

United Mutual Fire Insurance Co.—Falling aircraft, hail, civil commotion and property damage caused by vehicles.

Indiana Lumbermen's Mutual Insurance Co. — Falling aircraft, civil commotion, property damage caused by vehicles.

Mercury Insurance Co.—Falling aircraft, hail, civil commotion, property damage caused by vehicles.

St. Paul Fire & Marine Insurance Co.—Falling aircraft, property damage caused by vehicles.

Queensland Insurance Co.—Inland transportation.

La Nationale Compagnie Anonyme d'Assurances Contre l'Incendie et les Explosions—Property damage caused by vehicles.

British America Assurance Co.—Property damage caused by vehicles.

Western Assurance Co.—Property damage caused by vehicles.

Imperial Guarantee and Accident Insurance Co.—Falling aircraft, property damage caused by vehicles.

Wawanesa Mutual Insurance Co.—Property damage caused by vehicles.

Imperial Insurance Office—Falling aircraft, civil commotion, property damage caused by vehicles.

Ensign Insurance Co. — Falling aircraft, earthquake, hail, civil commotion, limited or inherent explosion, tornado, property damage caused by vehicles.

Dominion Fire Insurance Co. — Falling aircraft, earthquake, hail, civil commotion, limited or inherent explosion, sprinkler leakage, tornado, property damage caused by vehicles.

London and Lancashire Guarantee and Accident Co.—Falling aircraft, civil commotion, property damage caused by vehicles.

Dominion of Canada General Insurance Co.—Fire, life, accident, automobile, burglary, guarantee, inland transportation, plate glass, sickness, sprinkler leakage, steam boiler, property damage and liability for damage caused by breakdown of electrical machinery, and, in addition, limited to properties insured for fire, falling aircraft, earthquake, hail, limited or inherent explosion, civil commotion, tornado, property damage caused by vehicles.

Patriotic Assurance Co.—Falling aircraft, civil commotion, property damage by vehicles.

London and County Insurance Co.—Falling aircraft, civil commotion, property damage by vehicles.

Southern Insurance Co. — Property loss by vehicles.

Anglo-Scottish Insurance Co. — Property loss by vehicles.

Sun Insurance Office—Property loss by vehicles.

Commercial Union Assurance Co.—Intentional or other damage to, or loss of, real or personal property.

Union Assurance Society—Intentional or other damage to, or loss of, real or personal property.

British Northwestern Fire Insurance Co.—Personal property.

Ocean Accident and Guarantee Corp.—Falling aircraft, civil commotion, property damage by vehicles.

North British and Mercantile Insurance Co.—Falling aircraft, property damage by vehicles.

Student's Summer Job Inspired Food Venture

F. C. McCracken Started as Commissary Clerk in Construction Camp

F. C. McCracken, of Montreal, started out to be an electrical engineer. But he ended up as engineer of mass feeding and housing facilities, serving thousands of Canadians from the Atlantic Ocean to the Great Lakes.

As head of the Crawley & McCracken Company, he directs operations catering to the men breaking ground for Canada's development in mining, lumbering and primary industry. Now celebrating the 25th anniversary of its inception, the company's chief work at present is feeding railway maintenance crews from New Brunswick to northwest Ontario, and those engaged in construction of major pulp mill developments.

He also heads the affiliated company which operates the chain of Murray's restaurants in Montreal and Toronto, a group of high-ranking establishments catering to city dwellers. Linking the two organizations is a holding concern, the Murray-McCracken Company, of which he is also president.

The "Crawley" of Crawley & McCracken and the name of Murray's for the city restaurant enterprise were both taken from the name of one man. He was Murray D. Crawley, who died in 1922, after an association with Mr. McCracken lasting 15 years.

Studied Engineering

It is to Mr. Crawley that Mr. McCracken gives credit for starting in his unusual business, and for the sound ideas on which he feels his success has been based. Thirty years ago, Fred McCracken was studying electrical engineering at Purdue University, and he needed money to help put him through. A potential source of summer earnings was suggested to him by a youth with the intriguing name of John Nice, with whom he had attended high school in Paoli, near French Lick Springs, Indiana.

Nice had worked as camp clerk for the J. E. Stubbs Contracting Co. of Chicago, which operated commissaries for workmen on the Chicago, Milwaukee and St. Paul Railroad. Following his example, young McCracken got himself a probationary, no-salary job with the Stubbs firm in the summer of 1907. He was then 20 years old.

Having been raised on a farm and become accustomed to hard work and long hours, the youthful clerk threw himself into his first job with a vim that made an impression. He was soon taken on the salary roll at $35 a month, later raised to $50 when he was assigned to a "mean job." He continued working at similar jobs in the Dakotas and Montana and in Chicago during the summers of 1908 and 1909, resuming his studies at university each winter.

In September of 1909, the Stubbs firm needed a man to straighten out unsatisfactory conditions at the camp at Port McNicholl, Ont. Here a Chicago construction firm had the contract for erecting the C. P. R. docks and grain elevators. It had engaged the Stubbs Company to feed the men. Murray D. Crawley, who was general manager of the firm, had the still youthful McCracken assigned to the job.

Dissatisfied Men

He found the men dissatisfied, his employers losing money, and trouble constantly brewing. The previous camp commissary clerk was better fitted to manage a boys' camp or a bank branch. Following the custom of the day, most of the men spent two or three days after every fortnightly pay day drinking up as much liquor as their funds would permit. The commissary clerk was all too often the butt of ugly tempers and tendencies to make trouble.

Young McCracken solved the problem by improving the food and knocking down any man who started trouble.

"I skinned a lot of knuckles," he recalls, "but I was lucky. I always seemed to get somebody I could whip. At the end of six weeks, there was no more trouble."

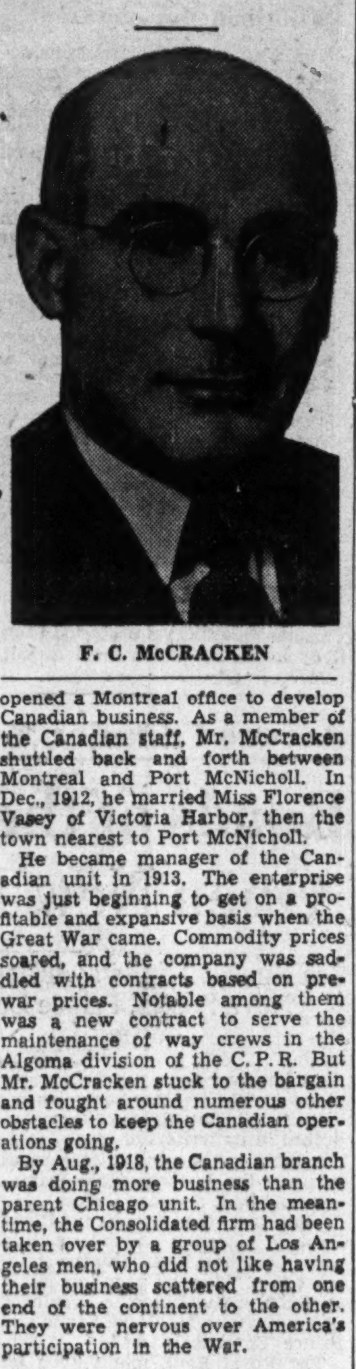
College or a Job?

A few weeks after he arrived at Port McNicholl, he had to choose between going back to college or continuing on the job. He still had every intention of being an electrical engineer. But by this time he was getting $85 a month (good pay for those days) and he decided that by staying through the winter in the camp he could make enough to overcome his lack of funds for college.

During the winter, he grew to like Canada, seeing in it a comparatively new country on the verge of intensive development. There was certainly a wide-open field for camp catering organizations, and better prospects for ambitious, hard working young men than in the U. S. The result was that he stayed on with the camp catering firm, and an embryo electrical engineer became an embryo engineer of large-scale feeding.

In 1910 and 1911, he worked in Chicago and the West, on railway dining cars, in railroad station restaurants. In Dec., 1911, he was assigned to the job of catering in connection with construction of a bridge over the Richelieu River at Locolle Junction, near Montreal. The bridge was being built by the same Chicago contractor who had constructed the docks and elevators at Port McNicholl.

The following year, the Consolidated Boarding and Supply Co. (which absorbed the Stubbs firm) opened a Montreal office to develop Canadian business. As a member of the Canadian staff, Mr. McCracken shuttled back and forth between Montreal and Port McNicholl. In Dec., 1912, he married Miss Florence Vasey of Victoria Harbor, then the town nearest to Port McNicholl.



F. C. McCRACKEN

He became manager of the Canadian unit in 1913. The enterprise was just beginning to get on a profitable and expansive basis when the Great War came. Commodity prices soared, and the company was saddled with contracts based on pre-war prices. Notable among them was a new contract to serve the maintenance of way crews in the Algoma division of the C.P.R. But Mr. McCracken stuck to the bargain and fought around numerous other obstacles to keep the Canadian operations going.

By Aug., 1918, the Canadian branch was doing more business than the parent Chicago unit. In the meantime, the Consolidated firm had been taken over by a group of Los Angeles men, who did not like having their business scattered from one end of the continent to the other. They were nervous over America's participation in the War.

New Firm Organized

When they insisted on closing down or selling both the Chicago and Canadian units of the business, Mr. McCracken and Mr. Crawley (still general manager of the Chicago unit) bought the Canadian business and established the purely Canadian firm of Crawley-McCracken. An interest in the new firm was also held by George H. Mosher, one of the Los Angeles owners of Consolidated, who still retains a nominal interest in the Canadian business.

Aside from the partial interest held by Mr. Mosher and by the estate of Mr. Crawley, who died in 1922, the ownership of the company is vested entirely in officers and employees of the company. With Mr. McCracken as president, officers of the company are Walter F. Harris, vice-president and general manager; Robert Hood, secretary-treasurer; and J. E. Cahoon, director and general superintendent. Practically all of the senior employees are shareholders in the company, having purchased their stock under special arrangements which enabled them to acquire a substantial interest.

Mr. McCracken is a director of Charles Gurd & Co., soft drink manufacturers of Montreal, and president of the Crawley & McCracken Hotel Co. The latter company owns three commercial hotels in Illinois, purchased after the Chicago unit of the Consolidated Boarding and Supply Co. was discontinued.

Despite his many executive responsibilities, Mr. McCracken has become in the course of years the chief repository of the grievances and personal problems of the employees of both Crawley & McCracken and Murray's. As an outgrowth of the friendly personal relations between employees and company officers, an unwritten law has developed that any employee with a grievance or a personal problem has free access to Mr. McCracken.

The father of two sons and three daughters, Mr. McCracken finds recreation in golf, curling and motoring. He was president of the Montreal Kiwanis Club in 1932.

Details of Mr. McCracken's enterprise on page 8.

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Canada's Largest Fire Mutual

A leading All-Canada Company — in volume; in strength; and in service to "select" property-owners and agents.
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$1,143,727 in Dividends
PAID TO OUR POLICYHOLDERS IN 1936

Each year this "mutual" company distributes its surplus or profits to the policyholders in the form of dividends. Why not earn dividends on YOUR fire insurance in 1937?

BRANCHES ACROSS CANADA
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Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax
Winnipeg
Saskatoon
Calgary
Edmonton
Victoria
Kelowna
Vancouver

NORTHWESTERN MUTUAL FIRE ASSOCIATION
Non-assessable Policies Assets $20,000,000.

Quebec Shows Revenue Gain

Eleven-month Figure Is $5 Millions Above Last Year

From Our Own Correspondent

QUEBEC.—With one month to go before the end of the fiscal year for the Province of Quebec, revenues are reported up $5 millions to the end of May, as compared with a similar period last year, it is reported here.

Quebec's financial year ends on June 30, but the official financial statement is generally only published during the month of August, the intervening time being required for the balancing of books.

Main features of the increased $5 millions in revenue for the first 11 months of the year are: succession duties, $1,500,000; company tax, $1,000,000; automobile imposts, $400,000.

During the course of the coming fiscal year, which starts with Dominion Day, one main source of expenditure will be roads, for Hon. F. J. Leduc, minister of roads, stated a few days ago that 25,000 men would be at work on the highways of the province on July 1, and that this number might be increased to 40,000 by the end of the summer. The province is embarking on an ambitious roads construction programme, to last five years, and it is estimated that $12 millions will be required for the 1937-38 roads department expenditure.

New Toronto Branch

The Bank of Toronto has opened a new office at Eglinton Ave. and Bathurst St., Toronto.

U. S. Fidelity's New Offices Opened in Toronto

Official opening of the new offices of United States Fidelity and Guaranty Co., and Fidelity Insurance Co. of Canada, at King and Victoria Streets, Toronto, was attended this week by senior executives of the U. S. company from Baltimore. E. Asbury Davis, president of United States Fidelity and Guaranty and Philip F. Lee, vice-president and agency director, were among those present.

The new offices of the companies were inspected by Canadian and U. S. guests, under the direction of A. E. Kirkpatrick, resident vice-president, and Sydney W. Band, manager.

F. Robinson Heads Life Underwriters

From Our Own Correspondent

MONTREAL.—F. Robinson of the Mutual Life Assurance Co. of Canada was elected president of the Life Underwriters' Association of Montreal at the 31st annual meeting.

Other officers and directors elected were as follows: A. D. Poitras, first vice-president; H. F. McAdams second vice-president; L. C. Ellison, honorary treasurer; J. G. LeDroit, J. Cooper Smeaton, C. F. Hohlstein, H. A. R. Martin, J. P. Wright, G. M. B. Morton and L. E. Joncas, directors.

Great-West Life Business Stands at $580 Millions

Great-West Life Assurance Co. reports a gain of $1,729,506 in business in force during May. The increase follows others reported for the first four months of the year and business in force now stands at $580 millions.

Stores Protest Quebec Tax

Representatives of Small Chains Ask Percentage Levy

From Our Own Correspondent

QUEBEC.—A request that there be a tax on revenue, instead of a straight $500 per store, on chain stores in Quebec City, was submitted to Quebec's administrative committee last week by representatives of Dominion Stores, Laura Secord and United Cigar Stores.

Alfred Savard, K. C., representing the two latter firms, argued that the $500 tax, as passed by the Legislature during the last session, constituted an injustice, as it did not discriminate, and hit those whose revenue was between $15,000 and $20,000 per year as much as those whose revenues amounted to over $100,000. He suggested that a tax based on percentage of business would be much fairer, and warned Quebec's City Fathers that the city would risk losing revenue through the tax, for the companies would decrease the number of stores in operation, with a consequent reduction in the number of persons employed.

The tax measure provides that all chain stores in the city, whose head offices are outside the city, be subject to this tax of $500, and Guy Hudon, representing the Lefebvre Shoe Stores (there are some 20 stores, all operating in the province), submitted that chain stores whose offices were in the province would be equally affected by the measure. Mr. Hudon suggested a tax of $100 on chain stores whose offices were located in the province.

Mayor Gregoire offered scant encouragement to the chain store delegates.

These two floors
OF THE VICTORIA BUILDING
KING STREET E. at VICTORIA
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UNITED STATES FIDELITY & GUARANTY COMPANY
AND THE
FIDELITY INSURANCE COMPANY OF CANADA

In these spacious modern offices with increased accommodation and facilities we pledge ourselves to a continuance of the efficient Guarantee and Insurance service that has been our objective over the past quarter century.

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BURGLARY
AUTOMOBILE
LIABILITY
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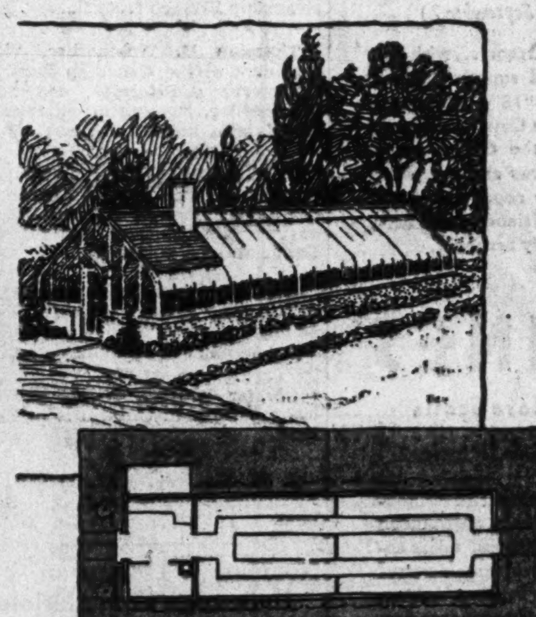
FORGERY
PLATE GLASS

UNITED STATES FIDELITY & GUARANTY COMPANY
A. E. KIRKPATRICK, *Resident Vice-President*
SIDNEY W. BAND, *Manager*

FIDELITY INSURANCE COMPANY OF CANADA
A. E. KIRKPATRICK, *President*
SIDNEY W. BAND, *Vice-President and Manager*
KING ST. E., AT VICTORIA ST., TORONTO
Telephone unchanged: EL. 1131

A Greenhouse for your Estate!



In building a new country home or in improving your present property, you can bring more year-'round pleasure to all the family by adding a greenhouse, set like a crystal jewel in your gardens.

With a greenhouse, you can keep your gardener busy all year round and your gardens will be the envy of your friends. If you enjoy flowers yourself, you can spend many happy hours pottering with your plants.

Your home will have its quota of fresh flowers all through the winter.

City homes, too, with ample property, need a greenhouse as much as a country estate.

For eighty years, Lord & Burnham Company, Limited have specialized in the design and erection of glass structures. Write today for their latest booklets — without obligation.

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Canadian or U.S.,
and,
in Sterling—denominations of
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Cheques are payable to you only, the purchaser, identified by your signature on each order, and will be accepted readily the World over.

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Head Office: Toronto
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Book of Newfoundland Covers Many Activities

A comprehensive, two-volume work which tells just what the title implies, the "Book of Newfoundland" affords a wealth of material covering almost every phase of activity in the Island colony. Just off the press, it seems likely that the publication will meet with keen demand.

More than a factual record, the book is written in interesting style. It comprises a very large number of relatively short articles each written by an authority on the subject. From history, resources, folk lore, to music, wildflowers and stamps, almost everything pertaining to Newfoundland finds mention.

SEASIDE VACATIONS IN THE NEARBY MARITIMES

The Seaside! Sparkling days and cool, refreshing nights . . . the hum of the fisherman's reel . . . and sandy beaches gay with bathing suits and beach umbrellas in half a hundred vivid hues . . . yachting, too, and golf on smooth fairways and velvet greens that overlook the sea. Enjoy it all, this summer, at famous Canadian Pacific hotels in the nearby Maritimes.

Rates as low as $8 per person per day, double. Single from $9 per person. American Plan (Meals Included) Special family rates

The ALGONQUIN
ST. ANDREWS-BY-THE-SEA
New Brunswick
(*Season June 26 to September 7*)

Canada's perfect seaside resort . . . with old English hospitality and superb cuisine. Golf on a championship "18"—or a sporty "9" . . . bathing in Katy's Cove . . . dancing and entertainment in the Casino every night. Broad green lawns and gravelled drives . . . almost every room overlooks old St. Andrews and its island-dotted harbour. Hotel is completely fireproof.

The PINES
DIGBY, Nova Scotia
(*Season June 25 to September 11*)

In a 16-acre private park overlooking blue Digby Basin. Surrounded by scented pine groves. Glass enclosed salt water swimming pool . . . golf, tennis, boating, fishing. Delightful rooms in a modern fireproof hotel or private cottage bungalows in hotel grounds, each with bath and open fireplace.

Rates as low as $7 per person per day, double. Single from $8 per person. American Plan (Meals Included) Special family rates

Low Summer Round Trip Rail Fares

In Nova Scotia, these delightful fireproof hotels:
LAKESIDE INN, Yarmouth (June 28-Sept. 7)
CORNWALLIS INN, Kentville (Year round)
LORD NELSON HOTEL, Halifax (All Year)
Operated by Lord Nelson Hotel Co.

For information and reservations communicate with hotel manager or your nearest Canadian Pacific agent.

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Trent Cruise Of 240 Miles Is All Inland

Winding Ontario Waterway Ideal for Private Power Boats

ACROSS ONTARIO

Canadian businessmen owning power boats, cabin cruisers, yachts or sailing boats are planning summer cruises in Canadian inland waters "off the beaten track," this season.

For power boats and cruisers on the Great Lakes and at St. Lawrence ports there is a route probably unique in Canada for its advantages to cruising vacationists and their families. It is the Trent Waterway in Ontario, following an inland passage between Lake Ontario and Georgian Bay, avoiding the open waters of Lake Ontario, Lake Erie and Lake Huron

Start From Trenton

The Trent Waterway is a canalized combination of the Trent River to Rice Lake, the Otanabee River, through Peterborough to Stoney Lake and from that point to the Kawartha Lakes chain into Lake Simcoe, through Lake Couchiching and down the Severn River to Georgian Bay. A different return journey to Lake Ontario can be made via the open lake route through the St. Clair River into Lake Erie and thence through the Welland Canal back into Lake Ontario.

But the Trent trip, starting at Trenton, is a journey of 240 miles to Georgian Bay, of which only 20 miles are actual canal cuttings. The canal has not been completed and it has dams and uncompleted locks on the lower Severn River. Marine railways at Big Chute and Ragged Rapids overcome the difficulty, however, and permit through navigation for boats up to 134 feet in length and with a draft of six feet between Lake Ontario and Peterborough. The limit for boats between Peterborough and Lake Simcoe is 127 feet length and six feet draft; from Swift Rapids to Georgian Bay, 56 feet, 13 feet, six inches beam and four feet draft.

Passing through an extremely attractive region, the waterway passes several Indian reserves from which guides may be obtained for fishing. At Peterborough the huge lift lock, a smaller lock at Kirkfield, the floating bridge at Chemong Lake and other sights provide a continual changing scene of interest to cruiser parties.

No lockage fees are involved in this unique type of private cruise, and the route is buoyed for the benefit of motorboat and cruiser parties unfamiliar with the waterways. In addition to many Canadian boats making the trip this season will be those from the U. S., permitted to enter Canada as pleasure boats and remain until Oct. 1 on a customs permit.

Travellers

G. R. Heasman, Canadian Trade Commissioner at Cape Town, South Africa, is in Canada and will visit Toronto, Orillia, Kitchener, London, Windsor and Brantford, Ont., during June.

• • •

C. M. Croft, formerly Canadian Trade Commissioner in Auckland, N.Z., and shortly to assume the duties of commercial secretary at the Canadian Legation in Tokyo, Japan, is visiting Toronto, Ottawa, Winnipeg, Calgary and Vancouver during June.

• • •

B. C. Butler, Canadian Trade Commissioner at Singapore, arrived recently in Vancouver preparatory to a tour of Canada.

• • •

F. W. Fraser, Canadian Trade Commissioner at Kingston, Jamaica, is touring leading Canadian industrial centres.

• • •

Lester S. Glass, Canadian Trade Commssioner at Rio de Janeiro, Brazil, is in Canada and will commence a tour of the Dominion on July 19.

• • •

Frederick K. Morrow, Toronto, arrived in New York this week aboard the Hamburg-American Line steamship Bremen from Europe.

• • •

Thurston B. Weatherbee, vice-president of the Canadian Bank of Commerce (California), and **Mrs. Weatherbee,** have returned from a two months holiday in Europe.

• • •

H. S. Arkell, Ottawa, is visiting Argentina as a special officer of the Department of Agriculture, to survey possible new markets for Canadian seed potatoes.

• • •

C. L. Burton, Denton Massey, M.P., and **Avern Pardoe,** Toronto, were among the passengers in the Queen Mary sailing for England recently.

• • •

Chester Walters, deputy provincial treasurer of Ontario is in England.

• • •

J. M. Godfrey, K.C., Ontario Securities Commissioner, is in England.

Norman J. Thompson Industries Commissioner

Formerly commissioner of industry for the central region of the Canadian National Railways, Norman J. Thomson's appointment as chief commissioner of industries for the C. N. R. is announced this week. Widely known in railway and industrial circles throughout Canada, Mr. Thomson will now make his headquarters at Montreal, according to the announcement of S. J. Hungerford, chairman and president of the Canadian National system.

N. J. Thompson

MAHONE BAY

On the Atlantic, yet protected from it by lordly hills, this sheet of salt water has proved a Mecca for yachtsmen from all over the continent. There is a large and permanent summer colony at Chester

Across Canada: No. 3

Roads of the Maritimes Open New Travel Vistas

Sea Sports, Highway Trips Through New Brunswick, Nova Scotia, Prince Edward Island Two Days Journey from Central Canada

As between the cautious phraseology of staid monthly bank reviews and the colorful flights of fancy indulged in by writers of tourist folders, there is the same difference as between the Encyclopaedia Britannica and light summer fiction.

Which may explain why the Royal Bank of Canada's current monthly survey contents itself with the statement that "Year by year increasing numbers are visiting the Provinces of New Brunswick, Nova Scotia and Prince Edward Island."

The Royal Bank might have let itself go a bit farther. It might have said that the shores of Grand Manan are frequented by porpoise and seals, that deep sea fishing from Grand Manan and Deer Island is a sport that the visitor rarely forgets, that there are about 600 miles of seacoast highway in New Brunswick alone, that deep water torpedoes in the form of tuna weighing up to 900 pounds or more are waiting to battle hook and line anglers within 15 minutes journey from the Nova Scotia coast, and that Maritime visitors from central and eastern Canada can reach this maritime playground in a two days journey from Toronto, or in a day from Montreal.

But well known as these attractions are to Maritime visitors, they remain as an experience yet to be enjoyed by thousands of Canadian and U. S. vacationists who, the Royal Bank finds, are gradually awakening to the possibilities of travel in the three provinces.

Enter at Woodstock

Gateway to the Maritimes is Woodstock, N.B. To reach the largest of the three sea-girt provinces, highways and water routes are available from a dozen different approaches, but where time is a factor the motor highway or train journey is advisable. Inland water and sea journeys from the U. S. or eastern Canada are possible and east of Quebec is a choice of routes enabling the visitor to reach New Brunswick by way of either Edmundston or Campbellton.

Railway visitors this year have the incentive of fare-and-a-tenth rates for return trips of 21 days over either of the large railway systems and these specially reduced fares are available from any point in the area bounded by Montreal, and Armstrong and Port Arthur, Ont., to any point in the Maritime Provinces.

Modern motor highways offer greater attractions to those making a more leisurely visit to the Maritime areas and to central Canadians the greatest appeal of New Brunswick is undoubtedly the 600 miles of sea coast, with ample opportunities for fishing, boating and swimming.

The Woodstock gateway to New Brunswick is popular both as entrance and exit of the St. Stephen-Woodstock loop of the province. Tourists entering at either end may tour the central area of the Saint John Valley or make a complete circuit of the province without backtracking a mile of the distance.

Lakeland in Southwest

Modern highway facilities branch from the main No. 2 Highway at Meductic to a rustic lakeland to the southwest. In this section the chief game fish are landlocked salmon and lake trout.

The southern coast of New Brunswick is an increasing popular region with visitors anxious to combine seashore life with highway or rail travel. The coast is indented with harbors, bays and sounds, ideal for fishing, boating and yachting and the protection of the Nova Scotia peninsula affords smooth sailing and warmer waters than those to the south.

East of Saint John, in the upper section of the Fundy coast is the village of St. Martin's where quaint inns and cottages replace the more pretentious accommodations of the larger centres. Hopewell Bay at the mouth of the Petitcodiac River, with its curious rock formation, is another popular region for shirtsleeves' vacationists.

Bay of Chaleur

This year increasing numbers of visitors are expected at the warm water resort of Youghal Beach, a stretch of sand near Bathurst, on the north coast of New Brunswick. Youghal Beach is located in the Bay of Chaleur, long famous as a holiday resort and named by Jacques Cartier "The Bay of Warmth" because of its sheltered calm and warm sunshine. Summer temperature of the water in the bay is warmer than that at any other point on the Atlantic seaboard. Temperatures at Youghal Beach average between 65 and 70 degrees throughout the holiday season.

New Brunswick has a definite attraction for the businessman who wants a sportsman's vacation. Fishing includes Atlantic silver salmon or trout, landlocked salmon, togue, bass or pickerel. Deer and black bear can be hunted in the forests, and partridge, woodcock and coastal waterfowl are plentiful.

At Saint John, capital of New Brunswick, is a wealth of historical material, buildings and landmarks to interest visitors from central Canada and the U. S. One of the most unusual sights of the Saint John area is the famous reversing falls. The city is built on seven hills, intersected by inlets from the sea and the visitor is inclined to rub his eyes in unbelief at the odd irregularity to be seen from the highway bridge entering the city.

Below the bridge at low tide, the water rushes through a 450-foot gorge into the harbor over a 26-foot drop, but at high tide the inrushing flood completely submerges the fall and rushes in the opposite direction through the gorge in a foaming series of eddies and whirlpools.

The old Martello Tower, the drydock at Courtenay Bay and a wide variety of manufacturing industries are likely to be visited also by the visitor on his first trip to Saint John.

Many Routes to Nova Scotia

To reach Nova Scotia a choice of highway or water routes is available to the Maritime vacation traveller. Boat service operates between Saint John and Digby, and automobiles may be shipped in this way across the Bay of Fundy, commencing a tour of Nova Scotia from the south end of the peninsula.

An alternative route is by highway from Saint John to Moncton and into Nova Scotia by way of Amherst. Other approaches to Nova Scotia are by steamer from New York and New England ports, aboard special cruises from Montreal, or by rail or highway from Montreal, Boston, New York or other areas westward. U. S. motorists enter the province via Portland, Bangor, Calais, Me., and St. Stephen and Saint John, N.B.

Halifax is certain to be included in the itinerary of every visitor to Nova Scotia if only for the historically interesting features of the city, founded in 1749 as capital of Nova Scotia and base for the British fleet in American waters. The famous "Deep Sea Rodeo" is held here between July 19 and July 22 and at Dartmouth, across the harbor the annual regatta on Lake Banook takes place Aug. 4.

Annapolis Valley

Inland, the valleys of Annapolis, Wentworth, Sunrise, Musquodoboit and Margaree can be included in a Maritime tour by highway. Along the Annapolis Valley lived the Acadians, but their French homes have gone and on the cellars rest the sturdier type of New England home that followed. Largest in the British Empire, the apple orchards of Annapolis Valley are a magnificent sight and a short drive from Wolfville, in the heart of the valley takes the motor tourist to Cape Blomindon, towering point of the coastline from which one of the finest panoramas in Canada may be seen.

Picturesque is the sight of the lobster fleet at Pictou and lobster fishermen with their traps can be seen at every wharf along Northumberland Strait. Pictou, incidentally, exports more lobsters than any other port in the world.

Treasure at Oak Island?

By motor through Nova Scotia is a trip that thousands of central Canadians and Americans are likely to take this year. There are continually novel sights, no matter what route around the coast is taken, not the least interesting being the "Ovens" at Lunenburg, where a gold strike was made. Oak Island, off Chester, is the scene of a search for pirate treasure on which a United States expedition is spending thousands of dollars, and at Annapolis Royal may be seen the ancient ramparts of the fort, still intact.

Digby, with its runic stones to prove the fact that Norsemen visited the spot as long ago as 1001, and the Bras d'Or Lakes of Cape Breton are similarly interesting areas.

Prince Edward Island

A complete network of roads on Prince Edward Island attracts many motorists. A steamer running from Pictou to Charlottetown, takes the motorist to the Island.

Expenses of travelling in the Maritimes are exceptionally reasonable for those using the water and rail facilities connecting all Maritime ports and cities. Hotels are modern, rates comparing favorably with those in central Canada. If the tour of the Maritimes is made by automobile, expenses are, of course, somewhat higher, depending on the length of time and extent of territory involved in the trip.

Names Indicate Beauty Centres

Tourists to Newfoundland will undoubtedly be struck by some of the place names. A number have been derived from terms used in the fishery. Others reflect the beauty of the surrounding country. Original settlers, for instance, were so much impressed with the landscape that they christened settlements with such titles as Heart's Desire, Heart's Content, Heart's Ease, Heart's Delight.

Several of the names are apt to amuse outsiders. Perhaps more descriptive than might appear at first reading are such names as Come By Chance, and Seldom Come By. Labrador boasts a narrow strait which bears the unusual title of Run By Guess.

Steamship Fares Are Increased

C.P.R. and Other Companies Take Steps to Offset Higher Costs

From Our Own Correspondent

MONTREAL.—All vessels operating under the North Atlantic Passenger Conference will put into effect for sailings in July and September of this year to the end of the summer season in 1938, an increased fare averaging approximately 5% over the previous minimum rate.

In the Canadian services, cabin and tourist bookings for sailings on or after July 19 eastbound and September 20 westbound, are subject to the new rate.

All ships from the superliners down to the smaller vessels operated by member lines of the Conference will come under the latest revision.

In the Canadian service, ships come under five classes, so far as rates are concerned, as follows: (1) Empress of Britain; (2) Duchesses of Richmond, York, Bedford and Atholl and Empress of Australia; (3) Montclare, Montrose, Montcalm; (4) Alannia, Ascania, Aurania and Ausonia; (5) Andania, Antonia, Athenia and Letitia.

This is the first revision of rates authorized by the North Atlantic Passenger Conference since the elimination of cabin round-trip reductions in the summer season, which became effective last October. The present advance is made necessary by increased operating costs.

Quest for "King's Palace" Is Embarrassing in Ontario

A classic among tourist stories is that concerning the U. S. visitor who crossed the Canadian border in his automobile at Windsor, and on reaching London, Ont., a few hours later, stopped to ask a policeman the way to the "king's palace."

Another—and far more common tale—is that of the tourist from a southern state who arrived in a western Ontario town on a sweltering August afternoon with two pairs of skis (newly purchased at a border point) tied firmly to his car. This year's crop of tourist tales is expected to produce a common enquiry for the "Duke's home" in Windsor, Ont., whether Premier Aberhart lives at Lake Utopia in New Brunswick, and the best route for hunters to the "moose pastures" of the gold mining areas.

But when it is remembered that four million U. S. automobiles crossed the Canadian border last year—with prospects that the number will be far larger this season—there is nothing surprising in some of the geographical mistakes made by visitors who have never before come to Canada. Lengthy automobile tours by both Canadians and U. S. residents require detailed maps and other information as preliminaries to planning the trip and the most advantageous routes. Among the most complete maps issued for the 1937 travel season are those provided without charge by the Canadian Travel Bureau at Ottawa.

Additional Stock Listed For Howard Smith Mills

From Our Own Correspondent

MONTREAL — Montreal Stock Exchange has called for trading an additional 55,000 common shares of Howard Smith Paper Mills. These shares have been issued to Harold Crabtree in exchange for 3,088 preferred shares and 5,000 common shares of Canada Paper Co.

Howard Smith Paper Mills now owns all the 20,000 authorized and issued common shares and 12,350 preference shares of Canada Paper Co. There are only 150 preferred shares of this company outstanding in the hands of the public.

As a result of the allotment in this stock, Howard Smith Paper Mills now has authorized 400,000 shares of common stock, of which 329,869 are outstanding.

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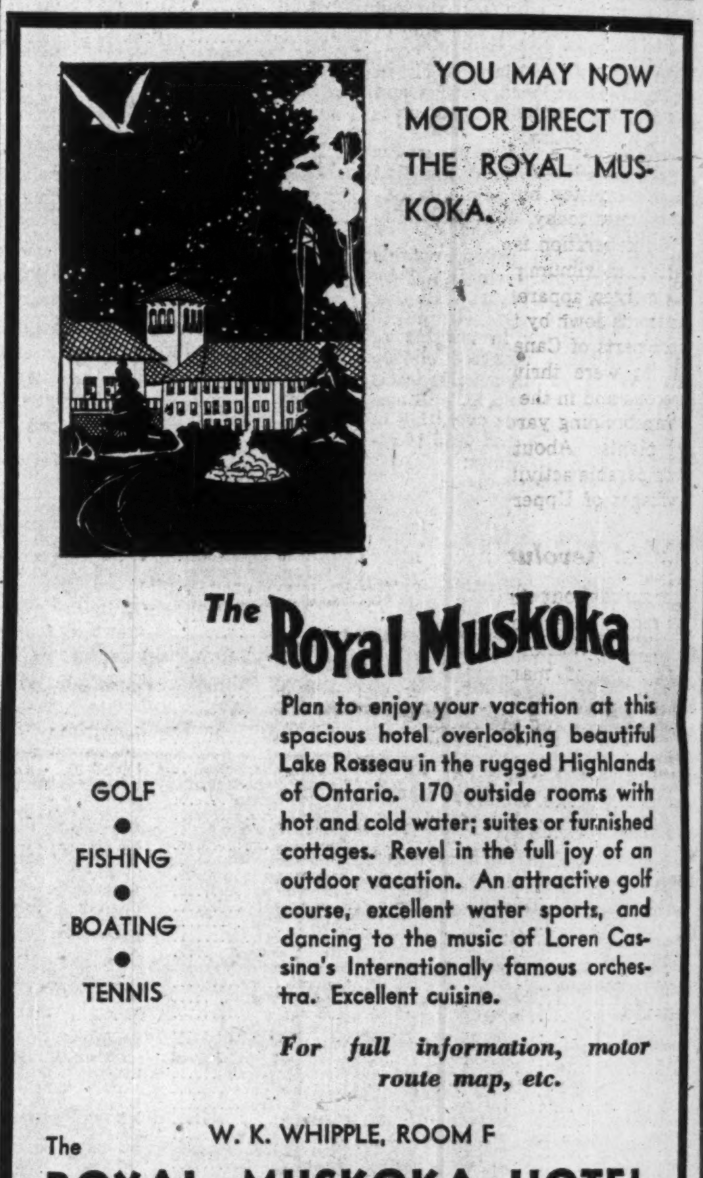

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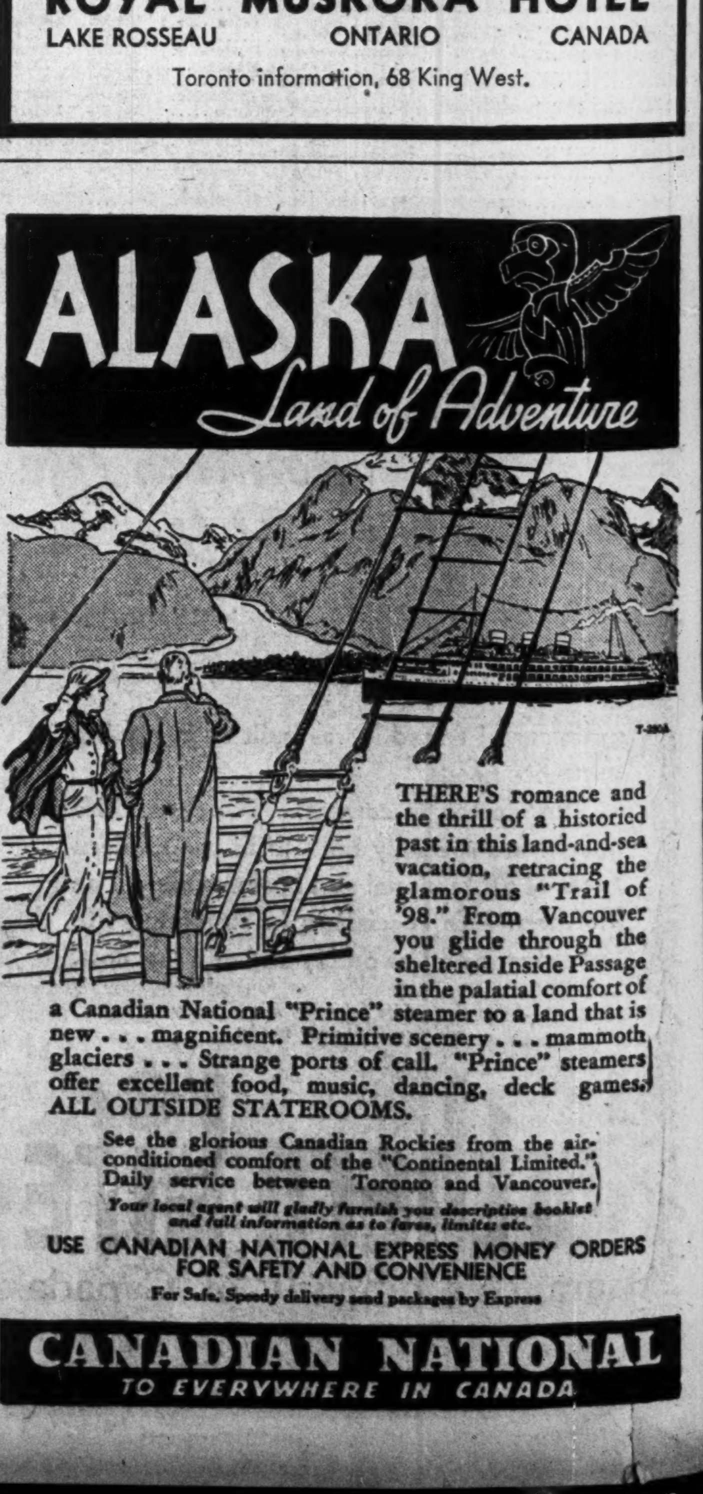

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Maritimes Bid For Wider Markets

Atlantic Provinces Reorganize Basic Industries to Meet Wider Outlets—Fish Marketing Biggest Problem

By GORDON L. SMITH

Securing of big additional markets remains the major problem facing Canada's eastern Maritime Provinces. Potentially this great area along the Atlantic is extraordinarily wealthy in natural resources. Progress has been made in the development of these resources and particularly so in the last few years. Lumbering has enjoyed an unusually successful season. Coal mining is in the best shape in years. General manufacturing reports almost universal improvement. But with two great basic industries, fishing and agriculture, development has not reached anything like maximum proportions.

Geographically and originally the natural outlets for the products of the sea, the forests, the soil and the mines of Nova Scotia, New Brunswick and Prince Edward Island were the industrial centres of the United States Atlantic seaboard. Here in the early days went the surplus of practically everything produced, fish, lumber and population. First the American Revolutionary War and later Confederation and its National Policy for the new Dominion seriously interrupted this line of trade to the south.

The Revolutionary War as a trade barrier has been forgotten but in certain sections of the Maritimes today, especially New Brunswick, Confederation is still cited as the chief obstacle to maximum prosperity. At the time of this merger, apparently general prosperity in the towns down by the sea was higher than in most parts of Canada. Village and town industries were thriving. Lumbering was prosperous and in the cities there were bustling ship building yards and small manufacturing plants. About the same time there was comparable activity in many of the towns and villages of Upper Canada.

Industrial Revolution

Later throughout the whole American continent came the era of industrial centralization. Introduction of railways made feasible the grouping of many former village and town industries into single large city plants. Such cities grew and the villages shrank. Unfortunately for the Maritimes many of the cities were on the wrong side of the International border. Boston, New York and Portland proved meccas for Maritime industries and Maritime population. In Upper Canada industrial centralization was blamed for the decline of small manufacturing; in New Brunswick many still maintain that Confederation is responsible.

But that feeling is not as strong nor as widespread as a few years ago. A reorganization of the basic industries and new markets, it is believed, will again restore these three provinces to their old parity with the rest of the Dominion. With the important tourist trade, this reorganization is already in progress. With coal, much has already been done toward solving the problem of extra markets. The sharp rise of sterling in terms of Canadian dollars four years ago and the Ottawa agreements combined to make current lumbering operations profitable again. These same factors have guaranteed a big and profitable market for apples and have, along with increased world prices and more stable currencies in South America helped newsprint.

Recovery in Steel

Steel, too, has benefitted from better world prices and more stable currencies, but the chief reason for capacity operations at Sydney just now is the British Government's rearmament programme. True efforts of the late Sir Newton Moore, head of Dosco for many years, are also bearing fruit. Sir Newton was a strong believer in Empire trade and he sought with success outlets for Canadian steel in South Africa, Australia and even in Great Britain itself. These were not war orders in any sense, but steel for bridges, ship building, industrial plants and ordinary commercial manufacturing. Repeat orders on this business are still coming in and freighters leave Sydney for almost every part of the Empire.

Recently since Britain started to rearm in a serious way, more orders have been coming from the Old Country itself and markets which would normally have been dominated by British steel plants, now with the rush to build guns, tanks and planes, have been easily penetrated by Dosco. Sufficient orders have been booked to keep the latter's steel mills running full time for at least a year.

Two Industries Lag

But this rapid swing of the Maritime Provinces toward prosperity has almost completely sidetracked fishing and agriculture, two major industries that all authorities admit cannot be ignored. The other two big ones in the Maritimes—mining and lumbering—are not able to carry the full load.

Development of mining cannot be expected to reach anything like maximum and stable proportions without a solid backbone of farm prosperity. In Prince Edward Island such a backbone already exists, but the mines, both actual and potential, are located in the other two provinces.

Lumbering, while a basic industry, is admittedly limited. Forest growth is rapid, but even this quick growth is not keeping up with lumbering, fire and insects. Virgin bush is practically gone. Certainly at the present rate of utilization and destruction, Maritime lumbering cannot hope to absorb any additional workers and it will probably employ less.

In the meantime, population is increasing more rapidly than has been the case in the last 25 years. Chief reason lies in the fact that the old normal overflow which used to go to United States and the Canadian West has lately been staying at home. The Maritime governments want to hang on to this extra population growth but they realize that they will have to provide it with work. The best hope for doing this, it is generally admitted, lies within the agricultural and fishing industries. The more people profitably absorbed in these, too, the more general business will be able to absorb.

Fisherman's Problem

Both fishing and general agriculture at present lack markets. Fate and lack of organization are responsible. In fishing a huge low priced but staple outlet largely disappeared with first currency troubles and later war and revolution in Mediterranean countries. Italy and Spain for centuries were the big markets for dried fish and the latter is still the bread and butter end of the fish business. Search for new dried fish markets has been pursued elsewhere, but with Newfoundland and the Scandinavian countries also aggressively in the picture the race is keen. Central and South America have been explored with some success but a reorientation of world trade takes time.

In so far as Nova Scotia and New Brunswick are concerned the problem has been bedevilled with politics. In both provinces there are two schools of thought in regard to modern methods, particularly trawlers. Shore fishermen, that is those men who fish from small boats based along the shores, are opposed on the whole to trawlers. Their opposition has been capitalized. They have been told that the trawlers will ruin the fishing grounds, that these mechanical scoops gather up all fish, large and small and spoil the spawning beds, as well. Yet while eastern Canadian fishermen are trying to ban the use of trawlers among themselves, foreign trawlers are operating in the Bay of Fundy and along the shores of Nova Scotia, and actually marketing their catches in central Canada.

Quick Market Essential

Fish are a very perishable product and must either be cured or reach the consumer as fresh meat within a week after catching. If kept properly iced there is no great deterioration until about the sixth or seventh day. Then they spoil rapidly. By the ninth day they are only fit for fertilizer. In the fresh fish trade, and that is the important one yet in regard to domestic and United States markets, the catch must be put into consumers' hands promptly and a continuous supply is essential. Markets are not held by abundant supplies for one week and a shortage the next. With shore fishing supply depends on weather. On rough days small boats cannot operate.

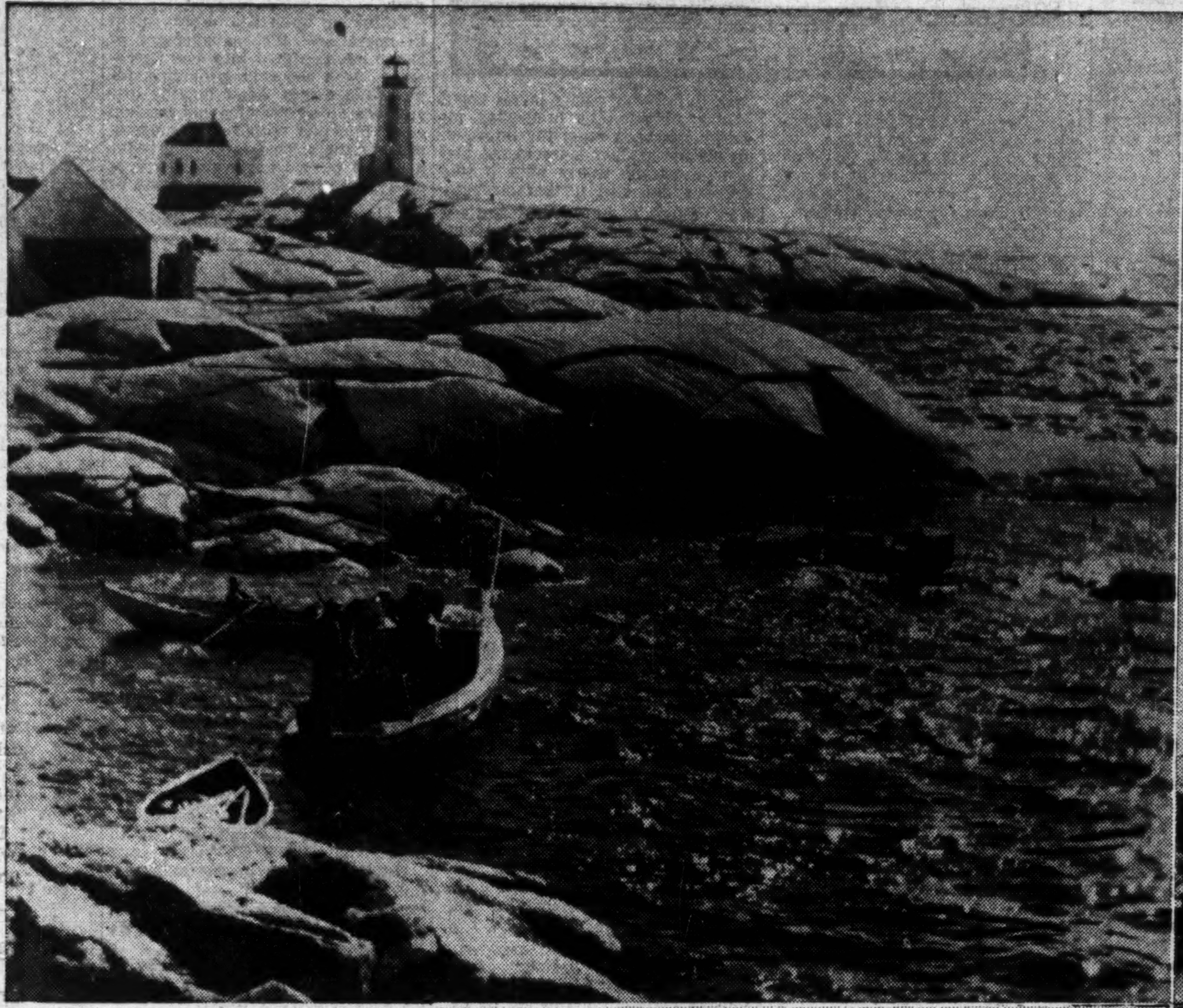
Steam trawlers, with ice aboard, however, could do so and could maintain a continuous supply. Moreover, larger trawlers, regular floating factories, equipped with processing plants, could also dress, dry, can, freeze or otherwise put their catch into permanent keeping condition within a few hours, not days, of the time of hauling out of the sea. This sort of fishing would probably solve the problem of catering to the huge and practically untapped market of the central and western Canada and United States, a market that would prove more profitable and stable than that lost in Spain and Italy. It means a complete reorganization of Maritime fishing with more machinery, more equipment and new methods. It will probably spell the end of the picturesque but dangerous, uncertain and usually unprofitable individual fishing. Active investigation is proceeding. Premier Dysart of New Brunswick, it is understood, made a personal study of big British trawler fishing methods when in the Old Country this month.

Agricultural Problems

The Maritime agricultural problem, on the surface, at least, appears much more simple. With at least $15 millions of domestic farm food products coming into New Brunswick and Nova Scotia each year, it is apparent that there is a large agricultural market right at home. Moreover, these "imported" products, beef, butter, cereals, eggs, fruit and vegetables are of a kind that could be produced right on Maritime farms. But the produce from central and western provinces is graded and of standard quality and they are offered in car lots.

So far, aside from potatoes and apples there has not been much attempt at large scale, high graded production by the farmers of New Brunswick or Nova Scotia as a whole. To many of the men on the land in these two provinces farming is but one side line, supplemented with fishing or winter lumbering. On the whole, this man is only interested in

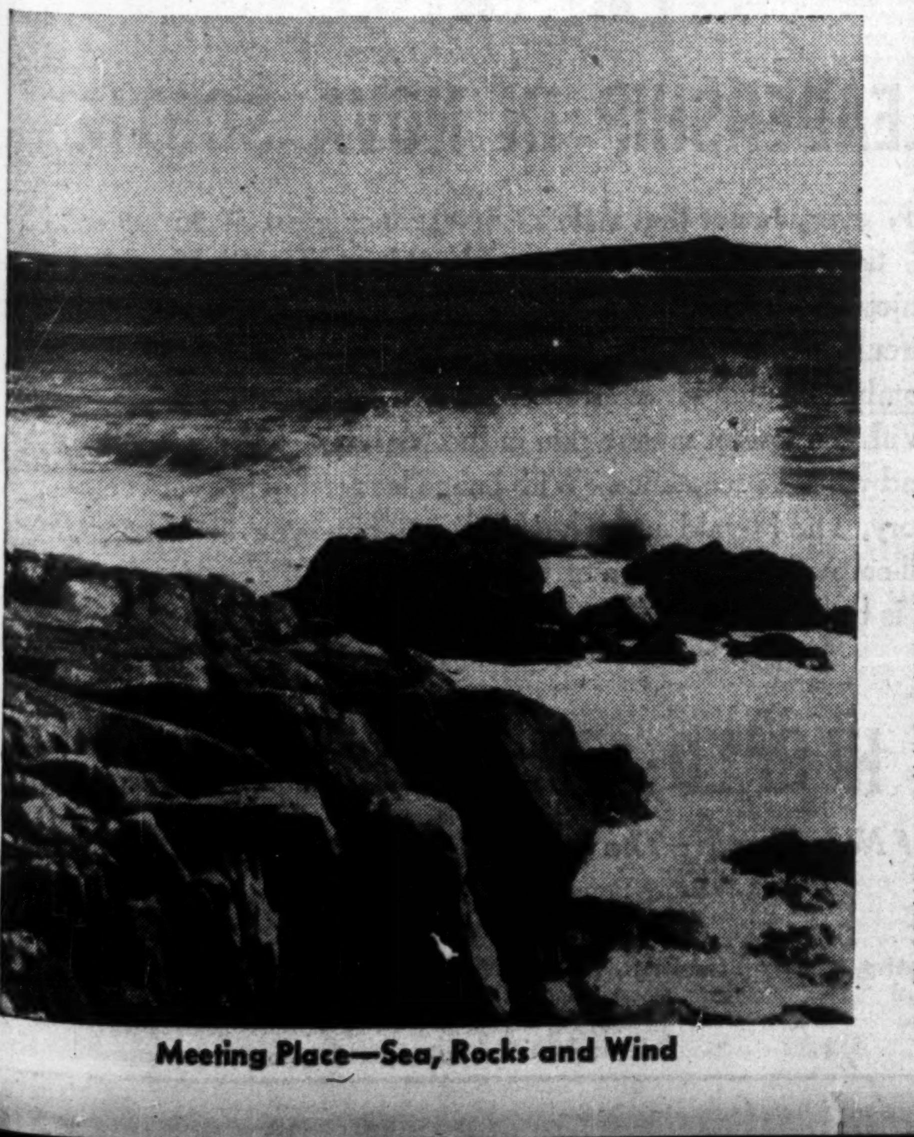
(Continued on page 24)



Peggy's Cove, N. S.

Louisburg, Cape Breton

Miramichi River (N. B.) Salmon



Meeting Place—Sea, Rocks and Wind

Selling the Maritimes

Tourists Constitute Largest Single Industry of Three Eastern Provinces—Government Exploiting Scenic Resources

Down in the Maritimes the annual influx of tourists not only constitutes big business but the major industry of the three provinces. Annual revenue easily exceeds that from agriculture, manufacturing, mining, lumbering or fishing. Moreover, it is widely spread over the whole area with rocky hinterlands and coasts, districts where there is little natural wealth in the ordinary sense, participating to a very considerable degree.

For 1936 the Dominion Bureau of Statistics estimates that foreign tourists in Canada spent the tidy sum of $257 millions. Of this about one-fifth or more than $50 millions was spent in the Maritime Provinces. This year it is estimated that the grand total will be $325 millions with New Brunswick, Prince Edward Island and Nova Scotia getting $65 millions.

To this $65 millions must be added another big sum representing the spendings of tourists from other sections of Canada who take their holidays in the Maritime Provinces. This influx from what is termed "Upper Canada" or sometimes just plain "Canada" by the people below Quebec, must easily amount to another $10 or $12 millions. It would probably completely offset what Maritimers themselves spend as tourists abroad or in the United States, thus leaving the $50 to $65 millions from foreign tourists as pure velvet.

Leading Industry

Not only does this tourist business rank away at the top in Maritime industries, but its importance is fully realized by the government authorities in each of the three provinces. Energetic bureaus have been established with branches in every Maritime city of any importance and at the chief ports of entries. In addition, connections have been established with those centres in the Eastern States and in Quebec and Ontario, from which the bulk of these annual visitors originate.

There are two distinct class of tourists in the Maritime Provinces. There is the permanent summer resident with a glorified Cape Cod home near St. Andrews or Chester or who has a membership in some of the many salmon fishing or moose hunting clubs.

This type has been coming to the same place for perhaps over half a century. Often he is a Maritime tourist of the second or even third generation. Perhaps his ancestors were among the thousands of loyalists who took up land in the Saint John Valley after the American Revolution, or among that still earlier group, the pre-loyalists, who occupied farms vacated by the French in and around Minas Basin about 1750. Many of the descendants of these original British settlers are now prominent businessmen in the New England States but they spend their summers in the Maritime Provinces.

The second and more numerous type of tourist is the orthodox family man who has two or three weeks to spend. He, with wife and children, usually motors leisurely, spending a day here or a week there. Sometimes he stays at hotels and sometimes he takes a cottage. Or he may come down by boat or train, living in the first-class big hotels, doing a spot of fishing or making a tour of the hundreds of historic spots where French, English and Indians fought their bloody little wars two hundred year ago.

The Summer Resident

For the first named class, the permanent resident, all three provinces are well equipped. Nature had prepared the stage thoroughly. There is scenery, space and solitude. There are sheltered bays for boating, salt water beaches, a vigorous climate and an abundance of game in the water and the forests. To hold this important trade all that the various Maritime governments had to provide was decent law and order, rail and boat transportation and game protection. This has been done.

As a result, all through the Maritime Provinces are important and permanent tourist colonies. Caretaking and other charges in these settlements involve total expenditures running into many hundreds of thousands of dollars annually. Taxes on foreign-owned property constitute an important source of revenue.

Along one famous salmon river in New Brunswick it is estimated that every fish caught represents an individual expenditure not far short of $1,000.

Enticing the Transient

The permanent tourist, however, only represents part of the industry, and one that is limited. Chief hope of expansion lies in attracting the transient type of visitor. The average family on tour will easily leave $10 to $25 for each day of its stay in the three provinces. Moreover, the whole area of the Maritimes is open and literally hundreds of thousands can be occommodated. To develop this trade, though, the three provinces have had to be practically reorganized. This reorganization is now proceeding.

The two to four weeks tourist usually comes by motor or at least he will use a car after arriving in the provinces. On this account good roads were a vital necessity. The old picturesque winding gravel trails were not enough. Used to first class, hard surface and safe highways of the Eastern States and Central Canada, this type of tourist demanded the same thing when he wanted to visit New Brunswick, Prince Edward Island or Nova Scotia. Until a few years ago pavement was about as scarce in these provinces as the scenery is plentiful. Especially was this true of the two larger provinces. Prince Edward Island has for years justly prided itself on its good roads. But the tight little island with its rich fairly level land encountered fewer natural obstacles. Moreover, with a much denser population and a prosperous backbone of agriculture, the financial problem involved was also less serious.

Highway Programmes

Three years ago, however, Nova Scotia and New Brunswick took up the road problem in earnest. Funds were not dissipated on political side roads but an effort made to get main highways into shape first.

Such a programme will have been largely completed in Nova Scotia this season. By the end of the summer it will be possible to go from one end of the province to the other and crossways, all on first class highways, mostly of a permanent hard surface nature. Even this summer most main routes will be open without serious detours. Next year the pro-

(Continued on page 24)

Business Takes Spurt

Sharp Upward Movement of Last 12 Months Reflects General Improvement — Many Industries Near Peak Levels — Port Traffic on Increase

The general business stability of the Maritimes is an old story in Canada. Even during the depth of the depression there was always a fair share of prosperity in the provinces down by the Atlantic. A new development, however, has been the sharp upward movement in consumption and output figures of the last 12 months.

True there have been some sharp exceptions. The major fishing industry is still very seriously handicapped by lack of export and central Canada markets. Agricultural volume, while improving, is still unable to supply the Maritime demand for such staples as butter, meats and canned goods. Of the 10 main business activities of New Brunswick, Nova Scotia and Prince Edward Island, however, at least, eight report a strong revival. Several of these, like lumbering, steel manufacture, newsprint production and coal mining have recently been operating at near peak levels. Since the middle of 1933 The Financial Post index of business activity in the three provinces has advanced from a point just below 90 to well over 130. This is in the same territory as occupied during the best days of 1929.

A thumbnail survey would measure the prosperity of these leading 10 Maritime business and industrial activities as follows:

Near Peak Levels:
- Steel manufacturing
- Newsprint, lumbering operations
- Tourists.

Steadily Improving:
- Coal and other mining
- General manufacturing
- Port traffic
- Wholesale trade
- Agriculture.

Still Depressed:
- Fishing.

General Improvement

Reasons behind this very substantial recovery are varied. In lines such as tourists, wholesale trade and general manufacturing gains simply follow a general improvement of business throughout Canada, the British Empire and the United States.

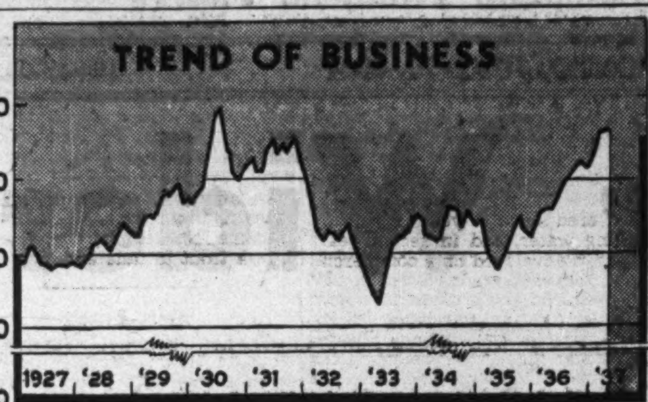
Business is better and so the owner feels that he can afford a holiday. He becomes a tourist and a potential customer of the Maritime Provinces. Because his business has improved and because he travels, his prosperity is immediately reflected in better wholesale trade and a better demand for the products of general manufacturing.

Port Traffic

All of this cumulative development helps to boost both incoming and outgoing freight through the main seaports of the Maritimes, Halifax and Saint John. The same ports and Sydney, Cape Breton, however, also have benefitted in the last years from the substantial increase in the output of coal, steel, lumber and newsprint both in the Maritime Provinces and from that Canadian territory which seeks an ocean outlet in the same area.

Steel Mills Active

Greater construction activity throughout Canada, new export markets within the Empire and elimination of much competition from United Kingdom factories busy on rearmament, have brought the greatest prosperity to Maritime steel plants since 1929. The big Dosco mill at Sydney is operating at capacity and orders already booked guarantee full work for a year ahead.



Newsprint

Newsprint mills in New Brunswick and Nova Scotia in common with those in the rest of eastern Canada have experienced a sharp revival in both domestic and export business.

Ever since the British pound went back to pre-war parity levels about four years ago, the lumbering industry has been reporting improvement. The Ottawa agreements and later the trade treaty with United States added still further strength.

In volume of lumber cut and exported, of course, present-day output figures would be down from those of the early years when vast areas of virgin bush awaited the axe, but in comparison with operations of five years ago, last year's activity and profits to companies concerned were on a much more satisfactory level.

Strawberry Exports

Maritime Experiment in British Shipment Successful

Experimental shipments of processed strawberries to the jam trade in Great Britain last year, made jointly by the Nova Scotia markets' branch and the Dominion Experimental Station at Kentville, have proved successful. The business may be put on a commercial basis this season. Experiment in frozen fresh strawberries for out-of-season use also proved successful, and this is also expected to absorb some quantities on a commercial marketing basis in future.

Production of small fruits in Nova Scotia showed a substantial increase in 1936 over the previous two years. Estimated production of strawberries was placed at 1,100,000 quarts, compared with an estimate of 568,000 in 1935 and 325,000 in 1934. Raspberries had an estimated production of 72,000 quarts compared with 60,000 in 1935 and 34,000 in 1934. Estimate for plums and pears was 25,000 bushels, also a substantial increase over the two previous seasons.

Export of strawberries, mostly going to the Montreal, Toronto and Boston markets, totalled 12,970 crates, an increase of about 4,000 crates over 1935. Export of blueberries totalled approximately 21,000 crates.

Total movement of strawberries from the principal production areas was between 32,000 and 38,000 32-quart crates.

Annual Survey of Companies

Brighter Financial Picture Shown by Majority of Leading Companies in Maritime Provinces — Operating Units at Capacity

Industrial, financial and other companies of the Maritime Provinces showed improvement during the year reflecting the general upturn in industry evident in these provinces and throughout Canada. The larger companies in which there is public investment interest are reviewed individually below:

ACADIA SUGAR

Acadia Sugar's operations are being maintained on about the same basis as in 1936, when the company reported net earnings of $401,973 as compared with $550,028 in 1935. While there was a drop in the amount available for dividends last year, the balance was sufficient to cover preferred dividends and 2% on the common. Arrears of preferred dividends have been cleared up this year and the payment on the common was the first authorized by the board.

Since 1931 Acadia Sugar has recorded steady improvement in its earning power. The large amount of arrears of dividends on the preferred stock has been gradually liquidated and the financial position strengthened. The balance sheet for 1936 shows working capital well maintained at $809,925. The old 6% first mortgage bonds were redeemed at the beginning of 1936 and the 7% general mortgage bonds in midyear. The funded debt outstanding now amounts to only $1.5 million of 4½% bonds.

ADMIRAL BEATTY HOTEL

Admiral Beatty Hotel, Saint John, reported improvement in earnings during 1936 as compared with 1935. Gross operating profit at $33,838 was roughly $4,000 greater than in 1935. Owing to a drop of about $1,000 in prior charges, there was a reduction in the net operating loss from $20,117 in 1935 to $15,145 in 1936.

Increased tourist traffic, together with the general business expansion which has taken place in New Brunswick during the past two years, has had a favorable effect upon operations and earnings of the hotel.

Originally the company issued $600,000 of 7% first mortgage bonds due 1944. In the early part of 1934 the bondholders' committee made an arrangement whereby a maximum rate of interest of 3% is to be paid on the bonds. All surplus earnings are applied to the sinking fund and when the present bond issue is reduced to $300,000, interest will become payable out of earnings at the rate of 6% with all surplus income to be used to retire the balance of the issue.

ACADIA TRUST

Acadia Trust Co. of Truro, has been in business for 15 years.

At the end of 1936, Acadia Trust Co. had estates, trusts and agency funds under its administration of $5,768,193. This compares with $5,740,938 at the end of 1935.

In 1936 the company's earnings were equivalent to $29 a share as compared with dividend requirements of $10. In each of the last six years dividends have been earned more than twice. Profit and loss surplus in 1936 amounted to $122,288. At the end of that year it was decided to transfer $100,000 of this surplus to reserves, bringing the latter to $700,000 or 3½ times paid-up capital. The total of paid-up capital and reserves shown by Acadia Trust Co. at Nov. 30, 1936, was $800,000.

ATLANTIC SUGAR

Atlantic Sugar Refineries' operations at Saint John are understood to be running on about the same basis as last year, while earnings are being maintained on a corresponding level. The financial statement for 1936 has not yet made its appearance, but in 1935 the company earned over $3 a share on its common stock.

Domestic consumption remains as the chief sales outlet for Atlantic Sugar. The company is dependent largely upon cane sugar imports and while it carries on some export business, the major share of production is marketed in Canada.

An interim report issued by Atlantic Sugar for the first eight months of 1936 showed net earnings of $243,446 available for dividends on the capital stock. This compared with net profit, on the same basis, of $596,571 during all of 1935.

Last fall the company sold $2 millions of first mortgage bonds. Part of the proceeds was used to take care of the redemption of the outstanding debentures, the balance becoming port of the company's liquid assets. Another financial operation was the redemption of all outstanding 7% preference stock which was effected through the company's own cash resources. As a result of these changes, capitalization of the company now consists of $2 millions of bonds and 160,000 shares of no par value common stock.

In common with other sugar refineries, Atlantic Sugar put into effect last May a general increase in wages. No statement was issued as to the exact changes in the wage schedule, but they are reported to vary slightly in several departments.

BATHURST

Bathurst Power and Paper Co.'s operations are on a more profitable basis than those prevailing a year ago. While no statement has been issued by the company, it is understood that during the first four months of 1937, profits were larger than for the same month of 1936.

Certain operations which were undertaken by the company during 1936 are now contributing materially to its progress. A cylinder machine which produces boxboard is operating satisfactorily and its operations are being reflected in earnings.

The newsprint machine which has a capacity of nearly 80 tons a day went into operation at the end of April and the company is now manufacturing and shipping newsprint for the first time in five years. All producing units including the sulphite mill are operating.

Increase Plant Capacity

Plant expenditures by Bathurst this year are expected to run into the neighborhood of $615,000, which will increase capacity by approximately 60%.

Orders for the major equipment was placed last January and work on the additions started in February. It is expected that the new buildings and installation of machinery will be completed in August.

Among other things, the programme calls for the construction of a steam plant, generating units of which will have a capacity of 110,000 pounds peak per hour and will be operated at a pressure of 650 pounds.

Coupled with the steam generating plant will be a large 6,000 kilowatt by-product steam turbine generator, which will make use of the steam from the generating plant to generate power before steam is passed to the rest of the mill for process work.

CENTRAL TRUST

Central Trust Co., with head office at Moncton, N. B., is now in its 17th year of operation. The company maintains branches in Saint John and Woodstock, N. B.

At the end of last year, the Central Trust Co. reported estates under administration totalling $3.9 millions, an increase of $110,000 over the 1935 total.

The company's paid-up capital amounts to $100,200 and it has been able to maintain dividends of 6%. Undivided profits are shown on the balance sheet at $32,294 at the end of 1936. This compares with $31,714 for 1935.

CONNORS BROS.

Connors Bros., operators of one of the world's largest sardine packing plants at Black's Harbor, N.B., does not make public any particulars as to its earning power, but it is understood that operations last year resulted in a profit. Indications are that the returns for 1937 will be equally favorable.

A large proportion of the company's business is in the export field. At present the company claims that its product is shipped to more countries than any other Canadian product, including wheat. Continued efforts are being made to increase export sales and the company is reported to have now established a sales outlet in Mexico.

At present Connors Bros. has an investment in the Black's Harbor plant and equipment amounting to over $1.4 million. Direct employment is provided for over 600 people, while indirectly some 1,500 fishermen are dependent on the company for the sale of their catch.

A year ago last May the company called in all of its outstanding 6½% first mortgage bonds. This transaction was presumably handled through cash resources, as there was no public refunding.

DOSCO

Dominion Steel Corp. and subsidiary companies, representing the largest industrial enterprise in the Maritime Provinces, are operating at a level higher than at any time since the depression set in. Employment is at a new peak and the amount distributed in wages and salaries plays an important part in the current economic welfare of the eastern provinces, especially Nova Scotia, where operations are centred.

To date the steel plant at Sydney is operating at capacity and the volume of business on the books indicates the probability of a good operation continuing throughout the year.

In view of the increased domestic demand, sales of steel to Great Britain will probably be somewhat lower in 1937 than was the case in 1936. However, orders on hand from English sources are sufficient to employ a large percentage of the plant's facilities.

Orders for Rails

Last May an order for 20,080 tons of rails for South Africa was received, shipment to be made in September. An order for 6,680 tons of rails for the Canadian Pacific was completed in March.

In addition to the sales of steel products to Great Britain, the company has sold at a satisfactory price any surplus pig iron which it may have available this year. The surplus tonnage may amount to 40,000 tons.

Ore Mines Active

The iron ore mines at Wabana, Newfoundland, are expected to operate at capacity for the rest of the year. Present estimates are that iron ore shipments in 1937 will aggregate approximately 1.7 million tons—nearly double the 1936 total and a figure reached only twice before in 1928 and 1929.

Orders from the Sydney plant of Dosco for delivery this year amount to 650,000 tons, the highest figure in a number of years

The German contract requirements, which have not been fully met for some years, will be increased this year. It is understood that the necessary financial arrangements have been made and shipments to Germany this year will total over 800,000 tons, compared with the normal contract requirements of 700,000 tons a year.

English buyers are almost doubling their requirements of iron ore this year, indicating shipments of approximately 250,000 tons.

The balance, between 20,000 and 40,000 tons will be shipped to the United States.

Operations of the wholly-owned subsidiaries, the Halifax Shipyards, Peck Rolling Mills, Security Fence Co., James Pender and Co., St. Lawrence Wire Co., show to date an improvement over last year.

The increasing demands for electrical power in the coal and steel operations necessitated the installation of an additional generating unit at the Seaboard Power Corp. plant. This unit, which is 700 kilowatt hour capacity was put into operation last April.

Dominion Coal Active

In regard to Dominion Coal Co., one of Dosco's more important subsidiaries, the indications at the present time are that sales will be in somewhat greater volume than last year.

Following upon the improvement in operations, the management of Dosco have entered into new agreements with the men providing for increased wages. After lengthy discussions an agreement was reached early in April with representatives of the miners. This agreement is for a period of two years and involves an average increase of wage rate of 7½%.

Shortly after the company increased the wages of all steel workers.

While it is still too early to determine what the financial outcome will be for 1937, present prospects are that earnings will be more than sufficient to take care of interest requirements; in fact, there should be a surplus of earnings available on the common stock. No earnings have been reported on the common stock for many years, nor have any dividends ever been paid.

EASTERN TRUST

One of the largest companies in the Maritime trust and loan field, Eastern Trust Co., Halifax, was established in 1893.

The company has always been able to maintain earnings considerably above the annual $8 dividend rate. In each of the last three years, earnings per share have been in excess of $10 per share, and in 1936 they reached a high level of $10.57 a share. An addition of $25,000 was made to reserves in 1936, bringing the total of this account to $275,000.

Eastern Trust Co. had deposit certificates amounting to $6.7 millions at the end of 1936, an increase of approximately $900,000 in the year.

Estates and other funds under administration at the end of 1936 amounted to $99.3 millions, a decrease of approximately $46,000 since the end of 1935. Net profits were $105,635 in 1936 after tax reserves, directors' fees and amounts written off against possible losses.

EASTERN CANADA COASTAL SS

Eastern Canada Coastal Steamships, engaged in coastal freight and passenger steamship business between Nova Scotia and New Brunswick ports, is understood to be earning bond interest by a comfortable margin. Both gross and net income for the year to date is reported to be above that recorded a year ago.

The company operates a fleet of 17 vessels, 13 of which receive government subsidies, either Federal or provincial, or both, totalling in excess of $100,000 annually.

Public investment interest in this enterprise is mainly confined to the first mortgage bonds, which were put on the market late in 1929. The last available report shows that there are outstanding over $500,000 of bonds, on which the sinking fund payments have been deferred to 1940. One of the renewable 10-year subsidies, amounting to $33,000 annually, has been assigned by the company to the trustee to be applied to bond interest requirements.

EASTERN CANADA SAVINGS

Eastern Canada Savings & Loan Co., Halifax, is one of the larger mortgage lending institutions in the Maritime Provinces, and has operated under Dominion charter since 1887.

At Dec. 31, 1936, the company's net assets were $4,358,146 in which there is an investment interest from the point of view of holders of the company's debentures, for depositors and for shareholders. The total of debentures and deposits last year was approximately $3,213,000, so the margin of security provided by the excess of net assets was over $1.1 million. This represents the equity of shareholders.

The company's net profits last year amounted to $62,042, equivalent to $8.27 a share on the capital stock on which total dividends of $7 a share were paid from the year's earnings. In 1935, the company paid $6 a share, based on earnings of $6.11 a share.

Mortgage loans form the bulk of the total assets, although liquid assets of approximately $500,000 are also held.

Directors of the company are Hon. W. H. Covert, president; D. R. Turnbull, vice-president; J. A. Clark, manager; A. E. Silver and S. L. Gibson. G. W. Hazen is assistant manager.

FRASER COS.

Fraser Companies' operations are well ahead of last year and expectations are that income for 1937 will be the best reported in some time. Not only has there been an increase in the demand for the company's products, especially rayon pulp, but prices have advanced materially.

Financially, the company is steadily improving its position. Consolidated revenue last year amounted to $2.1 millions, as against $1.8 million in 1935. After all interest charges, depreciation and depletion, there was a net profit of $94,974 as against a deficit the year before of $84,288. Earnings per share amounted to 27 cents, compared with a deficit of 50 cents a share in 1935.

While there does not appear to be any immediate likelihood of a dividend on the stock, prospects for the industry as a whole are encouraging and unless there is an unexpected set-back, Fraser Companies should continue to improve its position.

At present the company is giving serious consideration to a proposal to build a pulp mill in the Miramichi area in New Brunswick.

Measures toward a possible establishment of the mill have been discussed by representatives of the company and the government, but no announcement has been made as to the outcome of negotiations.

Fraser does not manufacture

(Continued on page 25)

Enlarge the Buying Power of Good Customers

Nova Scotia buys most of its manufactured goods from Central Canada.

To pay for these goods, Nova Scotia seeks a market in Central Canada for its coal.

No coal is produced in Central Canada. All such supplies must be brought in from outside.

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Big Game Angling

Nova Scotia Coast Becoming Famous For Tuna and Sword Fishing Whose Weight Ranges up to Half a Ton

In the cool waters which girdle Nova Scotia, big game anglers have found a happy hunting ground. The sport of sea-angling, a lusty infant sprung to sudden maturity in North America, has received a tremendous boost from the spectacular catches made on rod and line in these Canadian waters.

Zane Grey caught a world record tuna there in 1924, but the real trek began when Thomas Howell of Chicago took a 956-pounder off Liverpool, N. S., 10 days later.

Many fellow Americans have followed with over 20 tuna and sword fishing parties booked for cruising off historic Louisburg alone, this season. So far, sportsmen from the eastern United States have greatly outnumbered those from inland cities of Canada, but each year sees an increase of deep sea anglers from Quebec, Ontario and even farther west.

During the summer season Nova Scotia waters are thronged with giant blue-fin tuna and broad-bill swordfish, fighting fish whose weight runs to half a ton. In eight days' fishing in September, 1935, Michael Lerner, New York chain store owner, caught 21 big tuna—five in a single day. In the same waters last August, he captured swordfish weighing 462, 535 and 601 pounds, the first to be taken on rod and line in Canada.

Big Game Abundant

The beauty of this Nova Scotia fishing is that it is found all along the coast and usually within half an hour from the dock. During the tuna season, which lasts throughout August, September and October, these giant fish may be encountered in any inlet on the coast, schooling close in-shore in pursuit of herring and mackerel. They are voracious feeders, taking bait without hesitation, and when hooked they put forth all the fight in their mighty bodies without reserve.

Angling for tuna in Nova Scotia waters is done usually from a motor boat equipped with a swivel chair, rod socket and shoulder harness, but many anglers prefer an ordinary dory of the type used by commercial fishermen all along the coast.

The dory is a light high-sided craft with a flat bottom, rather like a wedge in cross-section. It is easy to manoeuvre, has plenty of stability, and with the angler's seat rigged slightly forward of the amidships'thwart the dory will tow readily when a big fish takes the hook. This method gives the angler a more direct pull on the fish, and owing to the small inertia of the dory it reduces greatly the chances of broken tackle when the fish runs. And the sport is increased enormously, for the angler is thrown entirely upon his own resources and the fight becomes a duel in simple truth—man against fish. Some anglers use a light double-ended skiff when fishing for Nova Scotia tuna. The low freeboard of this craft renders it somewhat less safe than a dory, but it reduces the fishing hazard of a chafed line, and having a keel it does not yaw wildly when being towed by a lively fish.

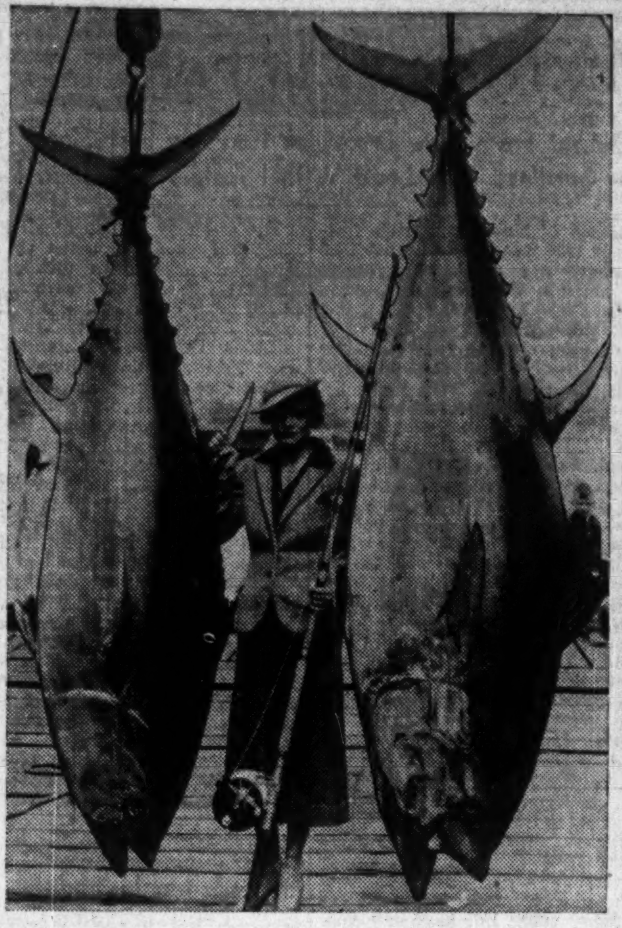
Trolling

In the strong tidal currents of the Bay of Fundy, such as the now famous Soldier's Rip, near Wedgeport, N. S., trolling is the only practicable method. Outriggers and kites are sometimes used to give a life-like motion to the bait, but trolling from the stern of the boat is good enough. A popular method at Wedgeport, developed by American visitors, is to troll a whole herring or mackeriel bait from a dory, which in turn is towed across the tide-rip by a power boat. A guide stands in the stern of the motor boat with a sharp knife, and when a tuna takes the hook, the angler and his dory are cut adrift to fight it out with the fish. On one occason in Soldier's Rip, Michael Lerner's dory was towed eight miles by a 500-pound tuna before he could bring it to gaff.

In the calmer waters of the bays along the seaward face of the Nova Scotia peninsula, the angler takes his station near one of the herring nets of the commercial fishermen. Giant tuna prefer to feed early in the morning, and the flurry of herring caught in the net during the night attracts the big fish to the spot. Dawn is therefore the best time for the angler, and as day breaks, the mighty tuna may be seen breaking water all around the nets. The guide throws chum—small pieces of fresh herring or mackerel—into the water about the boat at regular intervals. Big tuna seldom eat the chum, but it attracts them, and a whole herring flung out occasionally amongst the chum is sure to bring results. The angler's hook, baited with a whole fresh herring or mackerel, is permitted to sink to a depth of 5 to 20 feet amongst the chum, with a small cork bobber on the surface.

Strikes Hard

When a tuna hits the bait he usually strikes hard, and the sudden and complete disappearance of the bobber is followed promptly by a terrific pull on the rod. If the angler is fishing from a power boat, his guides must slip their mooring and start their engine quickly, for the first run of a hooked tuna is a long one and a strong one, and the angler must go with him. If he fishes from a skiff or dory the problem is simpler and more exciting, for he can slip his mooring and let the mighty fish take the craft in direct tow. There is an obvious disadvantage in fishing near a net in this manner, and there are tuna which dive under or into the net when hooked, playing havoc with the angler's tackle. Fortunately, the average giant tuna heads for the open sea when he feels the tug on his jaw, and there is the whole broad Atlantic for a battleground.



TWELVE HUNDRED POUNDS

Deep sea sportsmen in the Maritime Provinces use heavy rods, big scales, catch big fish. These two tuna battled 12 hours before posing for the camera. Weights 720 and 493 respectively.

Catching Swordfish

Swordfish school in great numbers in the waters around the island of Cape Breton, the northerly part of Nova Scotia. The port of Louisburg, where 400 of these well-armed warriors have been harpooned in a single day, makes a good base for the angler. The swordfish spends most of his time in deep water, but on calm sunny days he likes to swim along the surface. When in this mood he is afraid of nothing, and commercial fishermen have little difficulty in bringing their boats right up to him for a thrust with the harpoon. The angler's chief problem is to locate a sunning fish. This done, he can draw his whole mackerel bait back and forth across the sword without alarming the fish. Hooking a swordfish is, of course, a matter for considerable skill, as the mouth is so soft that the hook frequently is shaken clear when the fish leaps, and the bones of the mouth are so brittle that the angler must apply his strength with care. Swordfish are spectacular fighters, often making prodigious leaps from the water, and preferring the surface to the depths for their battlefield. Michael Lerner's big one fought for more than four hours, and took the angler's dory over 12 miles of sea. At one time the fish took 800 feet of line.

"Tackle" Problems

Tackle for these giant tuna and swordfish is naturally a matter of "fisherman's choice," some preferring heavy tackle and a quick kill, others liking the longer battle involved with lighter gear. One Nova Scotia club, affiliated with the British Tunny Club and using very similar rules, limits its members to the following:

> Rod not less than 6 feet, 6 inches over-all, tip not to exceed 44 ounces weight. Line may be of any length, size not to exceed 39 thread standard. Wire lead not to exceed 20 feet. A length of double line, not exceeding 20 feet may be used next to the lead.

Tackling the giant tuna and swordfish of Nova Scotia on rod and line, "Blue-nose," anglers maintain, is the most thrilling sport available in North America today. Doctor R. L. Sutton, well-known American big game hunter and fisherman, goes farther than that. "I'd rather catch a Nova Scotia tuna," said the doughty sportsman, after several unsuccessful battles with them on light tackle, "than shoot another tiger."

And the costs. Based on the poundage of fish caught, these are probably the most moderate in the realm of angling. In the first place the feeding grounds of tuna and swordfish are easily accessible, within at most 48 hours by rail from the greater part of eastern Canada and United States. As the sport begains just off commercial harbors, there is no long portaging and no motor ride over rough trails. Again, because game fishing and commercial fishing are carried on in the same waters, there are always plenty of boats and guides available. Services of the latter range from $2.50 to $4 per day, while suitable power boats with dories can be hired with crews by a small party at a total cost not exceeding $25 a day. Hotels are numerous and the average rate lower than applies to most parts of the Dominion.

Salt Mining In Canada

Maritimes Boast Only Rock Salt Deposit in the Dominion

The only rock salt mine in the Dominion is operated by the Malagash Salt Co. at the settlement which bears the same name. This is located near New Glasgow. This deposit was discovered some 20 years ago while drilling water, and in recent years has been developed on a commercial scale. Several grades of rock salt are produced and crushed in a form suitable for the various markets. Until recently the fishing industry in the Maritime Provinces has taken the bulk of this product. At the present time, however, the company has succeeded in greatly extending its market, shipping as far westward as Manitoba.

Salt for Road Building

Considerable experimental work with the use of salt for stabilizing the surface of gravel highways and railway grades has been carried out. This material not only succeeded in eliminating dust and thereby holding valuable material on the road or railway roadbed, but it also resists frost, greatly reducing heaving in the spring and fall.

It is believed that where the salt can be supplied fairly cheaply, salt may prove the answer to the prayer of road-builders the world over. For a few hundred dollars per mile it produces a smooth surface gravel road, free from dust, and one which, it is said, will wear for several years. Its use would permit the building of smooth surface light traffic connecting roads such as would be used in tourist districts and sparsely settled parts of the country. Already this experimental work in highway and railway construction is being carried out over a large section of eastern Canada, and after several winters, substantial success is reported.

River Saint John Main N. B. Waterway

The Saint John, the longest and most important river in New Brunswick has its source in the State of Maine and Quebec. It wanders diagonally across the western half of New Brunswick, emptying into the Bay of Fundy at Saint John. It is more than four hundred miles long and is navigable for large vessels for nearly half its length. As with the largest city of New Brunswick the name is of French, not English origin, and arose from the fact Champlain first discovered the waterway on St. John the Baptist Day, June 24, 1604.

Famous Bore

One of the chief attractions Moncton, N.B., offers to tourists is the famous "Bore" of the Petitcodiac River. There are no regular tides in the river, but instead a huge wave, often six feet high, swoops up the river at low tide.

Maritimes Replenish Game Fish Reserves

The Maritime Provinces are taking no chances on the depletion of their game fish, which throughout the years have proved a most potent tourist attraction. Last year over 30 million salmon and trout fry and fingerlings were distributed in the lakes and rivers throughout the three provinces. Many land locked lakes once barren have now been adequately stocked with fish.

In addition to inland lake and river fishing the sea coast abounds in game fish, ranging from the lively sea trout to tuna and sword fish.

Falls Reverse

One of the chief tourist attractions of Saint John is the world famous Reversing Falls At low tide the river follows its natural course to the sea, running swiftly over a tangle of rocks near the outskirts of the city. At high tide the current is reversed and the water backs up through this same series of rocks in the opposite direction.

Mineral Riches

Surprising Diversity Found in Resources of Nova Scotia — Gypsum Industry Shows Signs of Recovery — Coal Production Increased Substantially

Though coal is the most publicized of the mineral wealth of Nova Scotia a complete survey of the province's resources reveals a surprising diversity. There are, in addition to the "black diamonds," large commercial mining enterprises dealing with gypsum, gold, salt and special clays.

For many years, gypsum has occupied an important place in the Nova Scotia mining pictures. Due to the past conditions in the building industry generally, the demand for this product has not been as large, but recently is showing vigorous signs of recovery, with a good gain in production last year. Commercial development of the product is carried on at Windsor, Little Narrows, Cheticamp, Mabou, Baddeck and Cheverie. The bulk of this product is used outside Nova Scotia, large quantities being shipped in crude form to Montreal, United States and Great Britain.

Very substantial increases have been reported recently in the output of various types of bricks which are used in the ceramic industry.

Coal and its various products such as coke of different types and tar and gas were up considerably last year, notwithstanding substantial gains in the previous year. Production of gold or silver and less precious metals was generally higher. Steel production of different types and pig iron were on a large scale.

Comparative figures on the volume of output of the various minerals and mineral by-products are shown in the following table, in which it should be noted that although iron ore is reported, this mineral is imported from Wabana in Newfoundland and processed at Sydney, Cape Breton.

Mineral Production of Nova Scotia
Calendar Years 1934, 1935 and 1936

		1936	1935	1934
Ammonium sulphate	short tons	7,245	6,211	4,028
Bricks, common	No. of 8 in.	5,413,815	3,785,619	5,003,005
Bricks, fire	No. of 12 in.	14,000	6,500	5,000
Bricks, silica	No. of 9 in.	1,922,076	1,968,013	3,604,251
Coal	long tons	5,932,872	5,186,436	6,340,790
Coal, used for coke ovens	short tons	565,560	502,213	376,190
Coke, produced	short tons	345,061	298,638	233,638
Coke, petroleum	short tons	446	523	354
Copper, concentrates	short tons	5,058	......	......
Crushed stone	short tons	207,589	193,706	14,697
Diatomaceous earth	short tons	434	630	1,398
Dolomite	short tons	23,747	17,084	8,923
Fluelinings, square	short tons	190	......	......
Fire clay	short tons	1,628	1,545	1,338
Ganister	short tons	1,687	1,418	1,624
Gas from coal distillation	M. cu. ft.	3,846,192	3,406,209	2,418,323
Gold	ounces	12,621	9,051	4,782
Gold bearing ore	short tons	66,934	41,351	18,582
Granite, ornamental & bldg.	short tons	772	516	299
Grindstones	short tons	28	131	130
Gypsum, crude	short tons	694,347	475,857	392,681
Gypsum, calcined	short tons	6,846	7,140	......
Lead concentrates	short tons	5,058	124	......
Light oil	Imp. gals.	1,536,237	160,129	127,328
Limestone	short tons	22,074	9,321	16,062
Motor fuel (ben gas)	Imp. gals.	150	110	120
Molding sand	short tons	30	......	35
Oil fuel, mnfd.	Imp. gals	14,864,745	16,270,306	11,510,962
Oil, illuminated, mnfd.	Imp. gals.	5,513,165	7,627,448	7,573,973
Oil, gasoline	Imp. gals.	51,056,985	51,793,263	43,314,578
Oil, other, mnfd.	Imp. gals.	279,405	107,400	184,046
Pig iron	short tons	288,006	232,964	166,125
Salt	short tons	40,586	34,886	45,482
Sandstone	short tons	1,860	8,768	2,973
Sewer pipes	short tons	9,694	8,624	3,808
Silica	short tons	6,764	10,010	7,030
Silica cement	short tons	1,257	883	975
Silver	ounces	174,172	372	......
Steel ingots	short tons	423,745	333,840	291,810
Steel rails	short tons	73,266	51,274	46,278
Steel wire	short tons	39,918	38,573	32,946
Sulphuric acid, 50°	short tons	10,876	11,751	7,401
Tar	Imp. gals	5,532,902	4,704,092	2,598,242
Tiles, drain	lineal ft.	67,171	728,685	......
Tiles, building	number of	135,820	2,558	1,750
Tiles, partition	number of	217,337	......	......
Zinc concentrates	short tons	12,570	81	......
Iron ore imported	short tons	562,879	664,681	336,108

Quarter Century of Progress

The Nova Scotia Trust Company recently celebrated the twenty-fifth anniversary of its founding. During this period of unprecedented world change and business strain, the company has never failed to increase its assets and surplus funds; nor has it defaulted on or reduced its dividend disbursements. Its directors are all men of acknowledged business and professional standing in the Province. A branch office was opened this year at Sydney, Nova Scotia.

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Capital Paid Up and Reserve Fund $ 674,700
Total Assets $9,214,519

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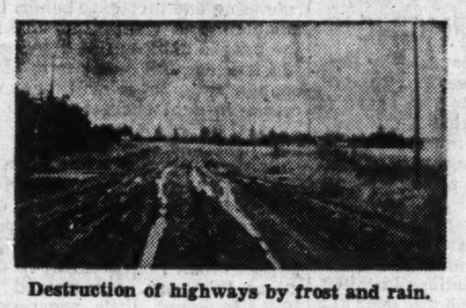

Destruction of highways by frost and rain.

Salt stabilized gravel roads surface after heavy winter traffic. Stabilization done by Nova Scotia Department of Highways, October, 1936.

●

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Maritime Utilities Expand

Industrial Activity Increases Consumption of Power — Rural Line Extensions Reflect Better Agricultural Picture — Telephone and Tramway Companies Report Improved Position

Almost without exception Maritime public utility companies reported substantial improvement in volume of business last year and this improvement has continued into 1937.

Electric power consumption in such centres as Saint John, Halifax, Sydney and Charlottetown is understood to be at the highest point in the last 10 years and in several cases at record levels. Notwithstanding repeated rate cuts in this period, profits for the companies concerned have generally shown satisfactory increases.

Electric Consumption

This increase in consumption in municipal centres has applied both to that of the commercial and residential type. In the last year, due to greatly increased activity in lumbering, newsprint, textile and steel manufacturing, the increase in electric consumption by Maritime factories has been particularly pronounced.

Hand in hand with this city development has been an extension of power lines throughout the rural districts of the three provinces. Better returns from agriculture generally, and particularly from such specialties as potatoes, poultry and fur farming has resulted in both increased demand for new rural lines and higher consumption along those already built. Development of highway tourist hotels has also boosted demand along rural lines.

With coal and water power readily available throughout the greater part of the three Atlantic provinces no great difficulty has been experienced in enlarging plant capacities to meet increasing demand, and usually there is still abundance of undeveloped power to take care of any reasonable potential growth.

Telephones and Gas

With the telephone companies there has also been a satisfactory improvement in business in the last 12 months. Greater building activity particularly around Halifax and Sydney and the re-installation of telephones following greater employment, have been important factors in this connection. Long-distance traffic is also reported moderately higher.

Gas sales by most Maritime utility companies are reported running slightly higher than a year ago. As the bulk of housewives in the seaboard cities still use coal-burning stoves, there is a big potential market for gas companies. But the relative cheapness of coal and the fact that there is seldom any sweltering summer heat to make coal stoves objectionable, make this potential gas field less easily pentrated than would be the case elsewhere in Canada.

Trams

Unlike the newer and larger cities of central and western Canada, those in the Maritime Provinces seem more favorable to street railways or tramways use. On the one hand, there is less congestion than is inevitable in the downtown sections of Montreal, Vancouver and Toronto, where many skyscrapers disgorge thousands of office workers simultaneously. Distances, too, are shorter, and in places like Saint John there are more hills. At any rate, tramway divisions of Maritime utility companies report holding their own.

Leading Maritime public utility companies are reviewed as follows:

NOVA SCOTIA LIGHT

Improvement reported by Nova Scotia Light and Power Co. for 1936 has continued into the current year. The electric light business is particularly satisfactory, with sales running more than 50% above the 1929 level. Tram operations are a shade better, while gas consumption is increasing. The latter was affected by a temporary plant breakdown early in June, but this difficulty was immediately overcome.

Expansion in operations and earnings, as well as consolidation of capital obligations, have featured Nova Scotia Light's record over the past year. Gross revenue for 1933 totals nearly $2.1 millions against less than $2 millions in 1935. Net revenues available for dividends of $329,197, showed an increase of nearly $100,000 compared with the year before.

The statement for last year is a general and not a consolidated one. The balance sheet shows a number of changes. Bank loan of $500,000 was eliminated. There was a reduction of nearly $1.1 million in investments and as this was more than sufficient to cover the bank loan, cash on hand showed an increase of $536,792.

Since the beginning of the current year, all outstanding bonds of the company and its subsidiaries have been redeemed. They have been replaced by $7 millions of 4% 20-year bonds of the parent company, payable in Canadian funds, and also by an additional issue of three thousand shares of preferred stock.

N. B. TELEPHONE

Volume of traffic handled by New Brunswick Telephone Co. to date this year is from 10 to 15% ahead of the corresponding period of last year. Continuation of this improvement is expected by the management, so that higher earnings are anticipated for 1937.

Last year the company reported an increase of approximately 10% in long-distance toll traffic and a net gain of around 175 stations installed.

Gross income in 1936 was over $1.3 million, an increase of about $47,000 over the year before. Operating expenses account for part of the gross increase, but net revenue of $316,069 was higher than in 1935. After all charges the company was able to carry forward a surplus of $26,851 as against $20,023 the year before.

The financial position of the company continues along satisfactory lines, the balance sheet for last year showing an increase of about $100,000 in plant account, while investments advanced from $56,113 to $161,620.

N. S. POWER BOARD

Nova Scotia Power Commission delivered 210 million kw.h. during the fiscal year ended Nov. 30 last, an increase of 3 million kw.h. over the preceding 12 months.

The increase in delivery of energy is accounted for mainly through increased takings by the larger industrial corporations and public utilities. All systems operated by the Commission, however, show an increase in deliveries over the previous 12 months.

Gross revenues totalled nearly $1.2 million, and net revenue $908,095. After providing for interest on loans and sinking fund installments, the balance of approximately $175,000 was transferred to various reserves.

At present the Commission has nine systems in operation, compared with eight last year. The number of retail rural customers increased during the past year from 1,210 to 1,347, while the number of wholesale power customers declined from 26 to 23.

MARITIME ELECTRIC

Maritime Electric was formed late last year for the purpose of taking over various Canadian subsidiaries owned by Associated Gas and Electric. The company now owns and operates an electric lighting and power service in Charlottetown, Montague, and 12 other communities in Prince Edward Island; and in Fredericton, St. Stephen, Milltown, St. Andrews and other communities in New Brunswick.

Properties comprise steam generating plant, having an installed capacity of 3,000 kilowatts; steam generating plant, not now in use, constructed at Fredericton; two small waterpower plants, one of which is not in use; substations; transmission and distribution lines.

Earnings of the company in the last four years have shown stability with net income available for bond interest and incomes well in excess of requirements.

EASTERN LIGHT & POWER

Increased industrial activities in the Sydney area have found reflection in the operations and earnings of Eastern Light and Power Co., successor to the old Cape Breton Electric Co.

Operations of Eastern Light are divided into three broad divisions. The company has been extending its services to rural areas and reports satisfactory results. Commercial sales have shown a slight increase but are still relatively low per customer, while residential sales have been up to expectations.

An application was made by the company to the Nova Scotia Board of Public Utilities last fall for approval of a reduction in the amount credited to depreciation reserve. At the same time it was announced that resulting from a new schedule of rates adopted by the company, a reduction of $16,000 yearly to consumers would result.

Eastern Light plans to issue additional capital stock. The Utility Board has approved an issue of $530,000 of capital stock, made up of 53,000 common shares of a par value of $10 each.

MARITIME TELEGRAPH

Substantial improvement in the volume of business, together with the addition of many new installations, particularly in Halifax, is reported by Maritime Telegraph and Telephone Co. since the beginning of the year.

Plant and equipment are reported to be in excellent shape and no large capital expenditures are expected in the immediate future.

Long-distance toll traffic for the first four months of 1937 was 8.6% over the same period last year. While this is a healthy increase, the company reports that the gain is not so great as in local traffic, which has expanded in sympathy with the general increase in business activity.

At the end of April last, Maritime Telephone had 39,774 stations in operation, an increase of several hundred over the number reported at the end of 1936.

Last year the company reported an operating revenue of $1.8 million, an increase of about $50,000 over the previous year. Net income available for dividends amounted to $372,803, an increase of roughly $23,000 over the preceding year. Owing to the increase in revenue the company declared an extra dividend of 1% on the common stock, making a total of 7% for the year.

In order to take advantage of the cheap money market, Maritime Telegraph has called for redemption on July 1 next all of its outstanding series A 5% bonds. The old issue is being replaced by a new 30-year 4% first refunding mortgage bond, series B payable in Canadian funds only and not callable until June 30, 1943. The series B bonds will carry a special coupon at the rate of 5% per annum for the half year ending July, 1937.

At the end of last year the company had outstanding $3 millions of refunding and mortgage bonds. Upon completion of the present financing the bonded debt will be increased to $3.5 millions, but owing to the lower coupon rate, there will be no increase in debt charges.

N. B. POWER CO.

New Brunswick Power Co., operating all the privately owned public utility services in Saint John, reports a slight improvement in operations this year as compared with 1936. However, little progress has been made in the light and tram departments, the gains being largely confined to industrial power load and gas.

For years this company has been competing with the municipally owned power system. Neither the city nor the New Brunswick Power Co. have been able to report an income commensurate with the capital invested. Overtures have been made at different times to unify the two systems either under private control or municipal control. Such negotiations have been unsuccessful.

A new development in this regard is the option taken by three Saint John investment dealers on the distribution facilities of the New Brunswick Power Co. This group has made an offer to sell to the city under certain conditions. The offer has been under consideration for some time, but latest advices are that it is now doubtful if the deal will go through. In any case, it is extremely doubtful whether anything like the original amount mentioned would be paid. No plebiscite has taken place and none is expected immediately.

Meanwhile, Federal Light and Traction Co., which is heavily interested in the junior securities of the company, as well as in substantial advances on current account, took steps to pay off the New Brunswick Co. first mortgage bonds which matured on March 1 last. Further, Federal Light made an offer last December of $10 a share to holders of the 7% preferred shares in order to secure full voting control of the company. Particulars have not been made public as to the success of this offer, but it is likely that Federal Light now has control, as it holds all the common and second preferred stock.

CANADA ELECTRIC

Canada Electric Co., light and power distributor to the towns of Amherst, Sackville, Springhill, Oxford, Joggins, etc., is the second largest privately owned power company in Nova Scotia. The company operates steam electric plants and its output has shown a steady increase during recent years.

Last year the company had difficulties with the Nova Scotia Board of Public Utilities. The latter reduced the company's estimated operating expenses by more than 5%, resulting in a reduction of more than $18,411 in power charges to domestic and commercial consumers in Amherst and vicinity.

In making its decision the board at that time issued a warning to the company that its foreign relations (the company is controlled by Central State Power and Light Corp. and in turn by the Public Utilities Securities Corp., an American holding company) will be closely watched as a result of its ignoring the provisions of the Public Utility Act. Allegations were made that the rates charged by the company were "illegal" because of their non-approval by the board.

82 YEARS

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$12 Millions in Fish

Output From New Brunswick Fisheries Best Since 1930 — Sardines Take Lead With Lobsters in Second Place

Volume of New Brunswick fisheries in 1936 was the best since 1930 according to a preliminary report just issued by the Dominion Bureau of Statistics. Total value of all fish marketed, whether fresh, canned or cured, amounted to approximately $12.4 millions as compared with $3.9 millions in 1935.

Sardine fishing was in the lead as has been the case in recent years, with lobster, formerly a leader, second. Sardine fishery output was valued at approximately $1.6 million or an increase of almost a quarter of a million dollars over the previous year. Practically the whole of this amount was of the canned product, the pack last year amounting to 394,000 cases of 25 pounds each valued at $1,380,000.

Value of lobster production amounted to just a shade under a million dollars which was a gain of approximately $100,000 over 1935. Other principal kinds of fish include herring $500,000, smelts $475,000, salmon $250,000 and cod $180,000.

The quantity of fish of all kinds including shell fish taken by New Brunswick fishermen during 1936 amounted to 1,596 cwt. with a value at the point of landing that is to the actual fisherman of slightly over $2 millions. This was a substantial gain over 1935 both in volume and in value. The increase in value, however, was practically entirely due to increased volume as prices to the fishermen apparently have shown little improvement in 1935.

Capital invested in New Brunswick fisheries, that is in vessels, small boats, nets and traps is estimated at more than $3.3 millions. Gasoline boats are valued at $775,000, lobster traps at $425,000 and smelt nets at almost $300,000.

The number of men employed in catching and landing fish last year was just under 15,000 which was a gain of approximately 2,000 over the previous year.

Capital invested in the fish canning and curing branch of the industry is estimated at approximately $2,255,000 with 2,347 employees working in 132 factories. About 65% of the factory workers are women.

Prince Edward Island Leads in Home Owners

Prince Edward Island leads the Dominion in its percentage of owned homes. In both rural and urban sections it heads the entire list, with 93 and 56% respectively. Nova Scotia is second in the rural classification with 86%, and New Brunswick fourth with 82%.

In the urban grouping, the larger Maritime Provinces do not rank as high, Nova Scotia, with a percentage of 48, standing in seventh place, and New Brunswick, with 39%, in eighth position.

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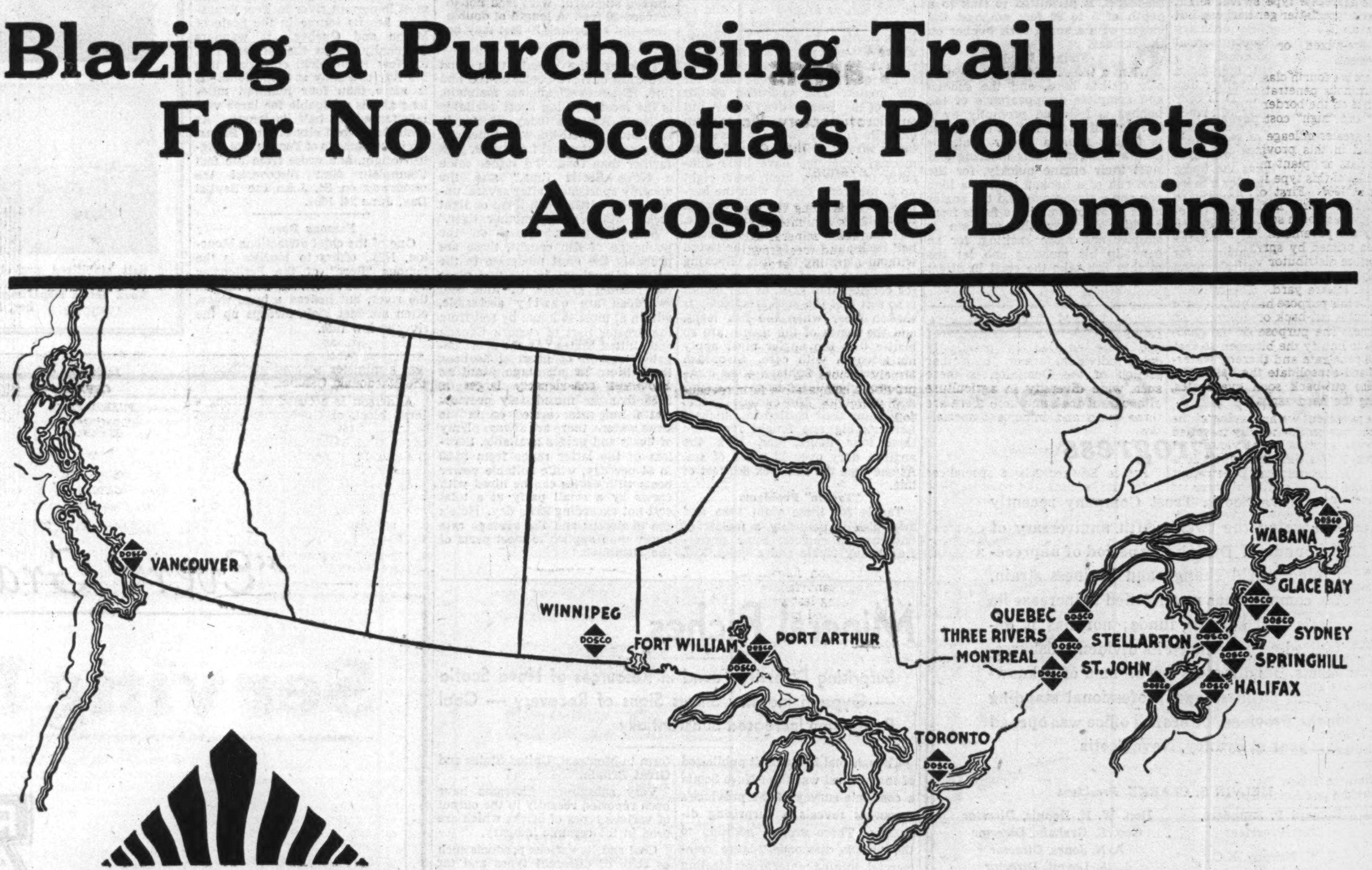
First N. B. Steamboat Launched 125 Years Ago

The first steamboat to operate in New Brunswick was the General Smyth. This was built at Portland, Saint John, in the winter of 1815-16 and was launched in April, 1816. It made its first voyage on the Saint John River only seven years after the Clermont first ploughed the water of the Hudson. A fleet of vessels quickly followed the General Smyth and almost up to the close of the last century, regular service was maintained as far up the river as Woodstock.

Probably the most famous vessel that ever plied the Saint John River was the Reindeer. This was designed by Benjamin Tibbitts and was built at Fredericton in 1842. She is credited as being the first vessel in the world to be equipped with compound marine engines. Later this mechanical idea was adopted by the shipbuilders of Europe.

Blazing a Purchasing Trail For Nova Scotia's Products Across the Dominion



DOSCO

From Mine to Market wholly within the British Empire

DOSCO is proud to be the agency through which Nova Scotia Coal and Nova Scotia Steel, products of a great Maritime coal-steel industry, are helping to turn the wheels of Progress throughout Canada

Uniquely situated close to the rich iron ore deposits of Bell Island, Newfoundland, Nova Scotia's stores of bituminous coal not only form a source of high-grade fuel but have become the basis of a great iron and steel industry.

It has been the function of Dosco to assist Nature in making available to the Canadian people the fullest benefits of these natural riches. Nova Scotia has become the centre of a productive effort in which application of raw materials to man's needs and gainful work for thousands of Canadians have proceeded hand in hand.

These benefits now extend across the Dominion from coast to coast. Nova Scotia coal is now sold as far west as Windsor, Ontario. Nova Scotia steel and steel products are marketed from Sydney to Vancouver, and in many places abroad.

Money spent for Dosco products is money kept in Canada for employment of Canadian workers. Nova Scotia and her sister Provinces are the mutual beneficiaries, for money spent on Dosco products strengthens the market in Nova Scotia for the manufactured goods of other parts of the Dominion.

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Highway Plans Progressing

Nova Scotia Expects to Complete Programme By 1938

By HON. A. S. MACMILLAN
Minister of Highways, Nova Scotia.

Twenty-eight miles of Nova Scotia highways had been paved previous to 1934. In that year the present paving programme of 812 miles was started.

A large amount of preparatory work is necessary before paving can be carried out in this province. This preparatory work consists of widening the existing highway, improving gradients and alignment, and making diversions for the elimination of dangerous curves.

At the end of the 1936 season, 689 miles had been prepared for paving and 378 miles had been paved. At the close of the present season all preparatory work will be finished and 322 additional miles paved, and all paving work will be completed in 1938.

A second programme which has already been planned for will greatly extend our mileage of surfaced roads. Our aim is to have a modern road within a reasonable distance of very citizen of Nova Scotia.

Subgrade Problems

While our present programme is popularly known as a paving programme, the paving work is by no means the greater percentage of the cost of the work. Our biggest problem is the construction of the subgrade to receive the paving. The pavements we are building fall within what is known as the "low cost" type. There are three particular types of low cost pavements:

1.—Surface application of bitumen to a roadway already compacted by traffic with a cover coat of sand or stone chips.

2.—Road mix pavement, either dense aggregate type or coarse aggregate type, latter generally called retread.

3.—Pre-mixed or plant mixed pavement.

There is a fourth class of pavement —bituminous penetration macadam, which is on the border line between "low" and "high" cost pavement.

The greater mileage of paving being laid in this province is of the third class or "plant mix." We laid 131 miles of this type in 1935 and 170 miles in 1936. First of all the top of the base course is fine graded so as to give a smooth surface on which to lay the pavement. This surface is then primed by spraying it from a pressure distributor with approximately one-quarter gallon of bitumen per square yard. The bitumen used for this purpose has quite a hard base, but is cut-back or diluted with gasoline. The purpose of the gasoline is to liquify the bitumen so that it will penetrate and thereby waterproof and consolidate the base. The gasoline cut-back soon evaporates, leaving the hard asphalt.

The pavement we are laying at the present time on the heavily travelled highways, such as in the vicinity of Halifax, is of a different type. It is known as bituminous penetration macadam, and is a difficult type of pavement to lay. This type of pavement is very durable, and compares favorably with concrete.

To summarize, in four years we will have graded and paved approximately 812 miles of our main highway system. This really means 1,624 miles of work, as grading and paving operations are carried out independently.

Highways included in our present programme, aside from other heavily travelled sections which it is propsed to pave, are as follows:

Halifax to Yarmouth via both the Annapolis Valley and the South Shore;

Halifax to the New Brunswick border;

Truro to Glace Bay and New Waterford and North Sydney.

THRIVING

In practically every line of industrial activity sharp gains are reported in the Maritime Provinces this year. Shipping in and out of the big year round ports of Saint John and Halifax, and from the steel dock at Sydney, lower left, has been the best in years. At right is interior of salt mine at Malagash, N.S.

Droughtless Farms

Maritime Agriculture Presents Satisfactory Picture in Diversified Fields — Appreciation in Value of Output Brings Sharp Upturn in Farmers' Revenues

In common with most of the other provinces of Canada, those located in the Maritimes experienced a sharp appreciation in the value of agricultural production last year. Unlike some of the others which had most of their eggs in one basket, however, gains in Nova Scotia, Prince Edward Island and New Brunswick were widely distributed and were enjoyed by practically every individual farmer. In no other section of the Dominion is there such wide diversity in agriculture although at the same time there are three main and important specialties.

Specialties

Prince Edward Island specializes in fox fur farming and potatoes, New Brunswick in potatoes and Nova Scotia in apples. But even with this specialization production is spread over a comparatively wide area and of more importance in regard to the stability of the industry as a whole it is spread over a great many individual farms.

Climatically the three provinces by the Atlantic are particularly well suited to all lines of agricultural production. Droughts as experienced in the western Prairie Provinces are absolutely unknown. A dry spell lasting more than 10 days is a rare occurrence indeed.

In fact, this permanence of good pasture is the backbone of Maritime agriculture. It supplies the raw material for the important dairy and livestock industry. Never at any great distance from the sea the rich bottom lands along the many rivers seldom lack air, moisture and possibly valuable mineral salts so that both grass and tree growth is more luxuriant in that area of Canada than anywhere else except the Pacific Coast.

In every province last year there was a sharp improvement in gross agricultural revenue and particularly in New Brunswick, where a much higher price for potatoes was largely responsible for the gain. By provinces, comparative farm revenue figures for the last five years are as follows:

Maritime Farm Returns

	P.E.I. $	N.S. $	N.B. $
1932	10,162,000	19,932,000	21,202,000
1933	12,731,000	24,919,000	20,876,000
1934	12,997,000	26,506,000	24,861,000
1935	13,260,000	27,261,000	25,398,000
1936	15,392,000	28,437,000	29,767,000

Reorganizing Agriculture

While naturally the better price for potatoes materially increased total production figures, there is a more significant factor behind the better showing last year. In the last decade more and more attention has been paid in each of the provinces to farming as former important natural resources have diminished.

Most agricultural departments have been reorganized and experts installed whose job it has been to increase the income from what were formerly considered insignificant lines. In this connection, poultry, dairy, early fruit and vegetables and other less important branches have been stimulated.

This stress on greater diversification and production of intensive lines is dictated by the fact that most farms in the Maritime Provinces are relatively small. The average holding is only about 100 acres and due to the fact that most of the good land lies along the river valleys the actual area cultivated by individual farmers would be much smaller. Moreover, there is a great diversification in the quality of this land with many very limited areas highly suitable to specialized fruit and vegetable crops.

In other cases again a local and growing tourist market makes the production of certain lines such as eggs, dressed poultry, fruit and vegetables more profitable than general crops.

All Farm Lines Higher

Not only was gross agriculture production for all three Maritime Provinces considerably larger in 1936 than in immediately previous years, but gains were reported in practically every main line. These were particularly significant in field crops which, of course, includes all grain and also the very important specialty, potatoes. For the latter, the Maritime Provinces have an international reputation.

The following table gives comparative figures of the chief production group:

Gross Agricultural Revenue
(In thousands of dollars)

	1936	1935	1934
Prince Edward Island			
Field crops	10,311	8,561	9,054
Farm animals	1,429	1,369	917
Wool	45	33	36
Dairy products	1,594	1,444	1,407
Fruit & vegetables .	172	154	136
Poultry & eggs	823	825	689
Fur farming	1,000	863	762
Clover & grass seed	17	10	15
Honey	1	1	1
Nova Scotia			
Field crops	13,516	11,748	12,995
Farm animals	2,548	2,257	1,924
Wool	112	96	96
Dairy products	6,495	5,948	5,827
Fruits & vegetables .	4,067	5,586	4,259
Poultry & eggs	1,216	1,184	1,058
Fur farming	448	386	276
Maple products	25	46	63
Clover & grass seed	1	1	..
Honey	9	9	8
New Brunswick			
Field crops	17,784	14,542	14,961
Farm animals	3,421	2,931	2,478
Wool	116	91	74
Dairy products	5,025	4,682	4,488
Fruit & vegetables.	1,164	1,044	908
Poultry & eggs	1,323	1,291	1,139
Fur farming	873	753	764
Maple products	46	48	26
Clover & grass seed	9	9	14
Honey	6	7	9

Taking the Maritimes as a whole, practically all field crops are for feed purposes. These, with the exception of course of potatoes, are used for the production of poultry, dairy products and livestock. In addition, a considerable quantity of livestock feed is imported and practically all cereal grains for human consumption. Offsetting this to a certain extent is the export of marsh and other hay, particularly to Newfoundland.

Big Potential Market

Livestock raising has been increasing. It is estimated that about half the livestock in the Atlantic provinces is in the dairy industry which occupies a prominent place in all sections. Although agriculture is being steadily reorganized with a view toward larger and better production, there is no fear of lack of markets. Each year sees millions of dollars of such staple and domestic agricultural products as beef, bacon and butter brought in from western and central Canada for use in the cities in the Maritime Provinces. This import practically assures a local and growing market for the surplus production of Maritime farmers provided that expansion is carried out in conjunction with a well-planned programme of grading and marketing.

First Coal

New Brunswick has the distinction of having been the first part of North America from which coal was exported, nearly 300 years ago.

Early Deals

The first shipment of deals from Saint John took place in 1822. These were all cut by hand and were shipped to Cork, Ireland.

Bathurst

Bathurst, N.B., was named after Earl Bathurst, colonial secretary in 1826. The earlier French name was St. Peter's.

Nova Scotians Near Election

Return of Liberals With Reduced Majority Expected

From Our Own Correspondent

HALIFAX.—With the Nova Scotia election less than two weeks away, opinion seems almost unanimous that the Liberals will win. Some reduction in the standing of 22 to 8 at the last election four years ago, however, is anticipated. Even in the Conservative camp there is little expectation of victory but merely the hope of a close decision. Liberals on the other hand are confident of anything from a comfortable majority to a sweep.

While the campaign is being fought around decidedly provincial issues, the eventual possible prize before the leaders of both parties is a national one. Certainly if Gordon F. Harrington, leader of the Conservative Opposition, is successful he will immediately become a potential successor to Right Hon. R. B. Bennett in the Federal field, and already prominent Liberals, even outside Nova Scotia, are predicting something similar for Hon. Angus L. Macdonald, youthful leader of the present Liberal Government.

So far the Harrington forces have been able to unearth only one very damaging piece of evidence against the Government. This concerns the timber purchases of Hon. C. W. Anderson, who until very recently was a minister without portfolio in the Macdonald Cabinet.

Anderson is accused of cutting a large block of Government timber without first securing a license. Some time after cutting, however, the attorney-general, Hon. J. H. MacQuarrie, did collect the $40,000 in dues from his colleague. But Anderson remained in the Cabinet until toward the last session or just before the political storm arose over his actions.

Now the Liberals claim that this cutting of Government timber before payment of dues is an old practice in Nova Scotia, but the collection of full dues afterward is a much more modern development.

The Opposition is trying rather desperately to get hold of some scandal in connection with road building. In the last two years serveral million dollars have been spent on new hard surface main highways and connections. To do the work some new construction companies have been formed. In Conservative quarters there is a feeling that there may be some closer connection than on the surface between these companies and members of the Government. The fact, however, that a former Conservative cabinet minister's company is a recipient of one of the largest government road contracts has so far discouraged hopes of raising much political capital in this field.

Strange as it may appear to an outsider, unionized labor does not seem to be a significant factor. True, the Government at the last session approved of what is generally described as the most advanced piece of labor legislation in Canada. But this was introduced by the leader of the Opposition, Mr. Harrington, who for many years was solicitor for the very important coal miners unions in Cape Breton. In previous elections the miners have usually voted Conservative. It is expected that they will do sa again.

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Maritime Potato Markets

New Brunswick and Prince Edward Island Reap Substantial Harvest From Crops — Outlook Steadily Becoming Brighter as Demand for Exports Increases

Canada's eastern Maritime Provinces have long enjoyed the international reputation for the quality and quantity of their potatoes. This is the most important cash field crop in Prince Edward Island and New Brunswick. Comparative records of production yield and quality indicate that farmers in those two provinces have done well in selecting this as a major line.

Although a considerably large volume of potatoes is produced in the central provinces of Quebec, and Ontario, the Maritimes lead greatly in exports. In fact the central provinces usually have to depend to a considerable extent on imports from the provinces down by the sea.

High Yields

Yields per acre in all of the Maritime Provinces have been high. Where an average of 70 cwts. per acre is considered much more than an average crop in most parts of Canada 100 cwts. is below normal for the Maritimes. Last year, for instance, in New Brunswick there was an average yield of 126 cwts. and while this was the best for any of the Maritime Provinces in the last five years nevertheless often the average yield will run well over 110.

Tariff Difficulties

Until the United States tariff of 1930 the bulk of these exportable potatoes found a ready market in United States. In addition high-class seed stock went to the South Central Atlantic States and to Cuba. The latter country, too, took considerable quantities of table stock as did also Newfoundland.

The shutting off of the United States market by the 1930 tariffs and a partial closure of the Cuban market seriously injured the potato industry in Prince Edward Island and New Brunswick. Prices per 100 pounds for table stock fell from around 85 cents in 1930 to a low of well under 50 cents in 1934. In fact in some districts of the Maritimes prices went so low a few years ago that they would not cover freight charges to points of consumption. Much of the crop was allowed to spoil.

On Up Grade Now

With a reopening of the American market following the United States trade agreement last year and the development of a new market for seed stock in South America conditions have changed very materially. Last year prices in the Maritime Provinces averaged well over $1 per 100 pounds or an advance of almost 20% over 1935 and almost twice the values of 1934. In addition to the better price there was an increase of approximately 30% in the production in Prince Edward Island and New Brunswick.

Good Seed Market

The development of high-priced markets for certified seed potatoes in recent years has proved highly profitable and has added considerably to the stability of the industry as a whole, giving it two main outlets. Potato growers in warmer countries have found that their seed stock tends to diminish in vitality in a very few years. Growers of early potatoes in the Southern United States, which supply northern markets with this important commodity from April or May until local crops are ready, have been the chief buyers. Imported seed crops from the Maritime Provinces and Maine, for instance, will outyield local seed crops in the Southern States very considerably the first year and by 50% or 75% the second year. In the trade agreement with United States which went into effect the beginning of last year there was a quota permitted of 750,000 bushels of certified seed potatoes from Canada at a reduced duty and this reopened market was completely and easily sold.

Cuba and South America

The Cuban market, too, has improved in recent years. Cuban growers have found that their need of northern-grown seed was even more vital than that of growers in the Southern United States. It is estimated that the use of Cuban grown seed will reduce production fully 50% in a single season and, therefore, practically all their stock comes from the North. Canada has a fair share of this busines and recently, too, has been developing a similar business in South America. Last year well over 75,000 cwts. of seed stock went to the Argentine and this trade is expected to continue and expand.

Exports of Canadian potatoes, practically all from the Maritime Provinces and Maritime production, are as follows:

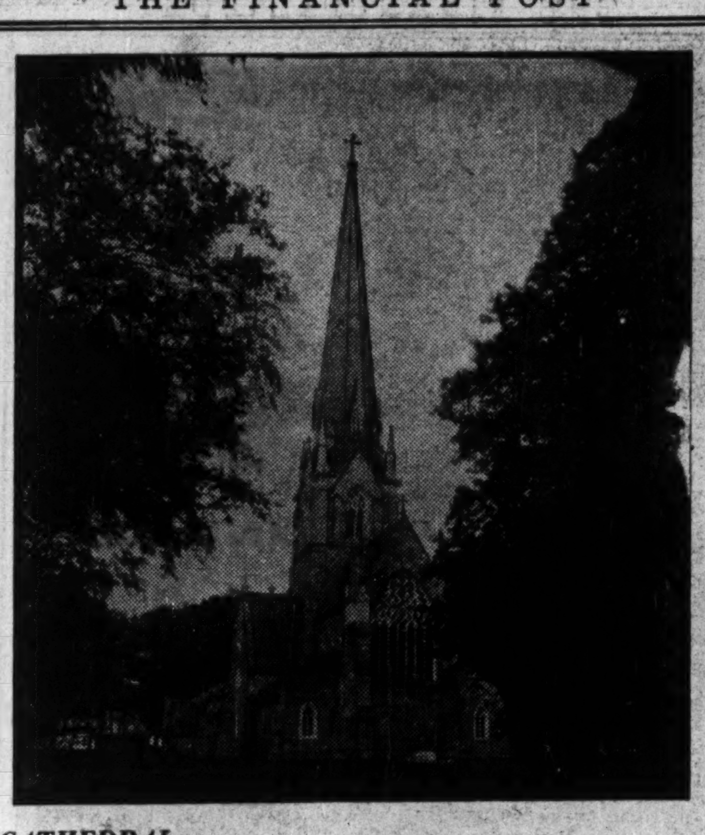
Maritime Potato Crop

	Production (000's cwts.)			Prices per cwt. (shipping point)		
	1934	1935	1936	1934	1935	1936
Prince Edward Island	4,824	3,045	3,941	.26	.70	.86
Nova Scotia	2,453	2,086	1,957	.50	.93	1.13
New Brunswick	6,938	4,383	5,683	.33	.73	1.05

Exports to March 31 (cwts.)

	1934	1935	1936	1937
United States	1,140,677	375,270	341,031	920,894
Bermuda	29,113	27,471	24,079	29,531
British Guiana	54,870	70,930	73,132	48,109
Newfoundland	80,998	35,296	45,875	21,407
Cuba	215,574	185,937	190,649	239,757
Panama	10,282	2,590	3,268	11,273
British West Indies	9,009	40,779	33,922	92,188
Other countries	84,094	119,887	133,841	*116,751
Totals	1,624,617	858,160	845,797	1,479,910

*Includes 76,098 cwt. seed stock to Argentina.



CATHEDRAL

In picturesque surroundings, ancient Christ Church Cathedral at Fredericton, N.B., is typical of the beauty spots which greet the eyes of visitors to the Maritimes.

Fur Farming Profits

Crop of Pelts From Prince Edward Island Valued at More Than $1 Million Last Year—Increased Prices Help Industry

Last year Prince Edward Island produced an annual fur crop, mostly silver foxes, worth over a million dollars. This is considered about an average return from the 800 farms devoted to the ranching of fur animals in that province. Annual returns, of course, will vary as fur even more than many of the orthodox farm crops sharply fluctuates in value from year to year. Generally speaking, there has been a very substantial appreciation in the price of this commodity from its low point of the depression and with the present gradual improvement in general business this gain in fur prices may be expected to continue.

P. E. I. Leadership

Although Prince Edward Island now must take second place to Ontario and Quebec in the total production of farm-raised fur, it is still regarded not only by the other Canadian provinces but by the world at large as the home of the farm-raised silver fox.

The rearing of this beautiful animal in captivity really got its first start in the island province and has been flourishing here for well over 50 years. At one time fox development was regarded in the same way as a new gold strike. There was a spectacular boom cumulating in a bid of $35,000 for a pair of the best "silvers" for breeding purposes. In recent years, however, although stock is still sold in fur farms and in individual animals, the business has settled down to one devoid of speculation but not of moderate profits.

Sell Breeding Stock

Though losing out in volume to other provinces of Canada and to some sections of northern Europe and the northern United States, Prince Edward Island, through experience, careful breeding and high standards has maintained her position as premier producer of pure bred silver fox breeding stock. In addition to the annual export of pelts of approximately a million dollars there is a substantial trade in pedigreed animals as well.

Nova Scotia and New Brunswick are also considerable fur producers from farm-raised animals. Both lead Prince Edward Island in the number of fur farms, but their annual production is considerably smaller, partly because of the smaller number of animals on most of these farms and also because other and less valuable animals than silver foxes are raised. However, production is increasing very rapidly.

	No. of Farms	Value of Production		
	1935	1934	1935	1936
		$	$	$
P. E. I.	771	762,000	863,000	1,000,000
N. S.	853	276,000	386,000	448,000
N. B.	983	764,000	753,000	873,000

Climate Suitable

Climatically the Maritime Provinces seem particularly well suited to the production of fur under farm conditions. There is a great variety of soil and marsh which permits a wide range of fur animals and winters are ideal. They are not so rigorous as to prevent animals staying outside practically all the time, and yet they are cold enough to stimulate a maximum growth of fur. Much farther south than the latitude in which the Maritime Provinces lie, it is stated that fur would be of inferior quality because of the warmness of the winters, and north of this for some types it would be so cold that animals would hibernate and the fur would lose quality also.

All of the Maritime Provinces are considerably interested in the recent move of the Federal Research Council at Ottawa to include fur farming investigation in its field of investigation. Aside from the farming of silver foxes there is not a great deal of information available, although authorities are convinced that many other fur-bearing animals could be farmed successfully if more knowledge of habits, disease and food requirements was known.

German Rails Stage Recovery

Canada's railway "headache" is basically due to the fact that there are not enough passengers and tons of freight to employ profitably the thousands of miles of track stretching from one end of the Dominion to the other.

Standing second to none perhaps in point of trackage, Canadian railways' passenger carryings nevertheless make a poor comparison with those in more densely populated areas of the world. Not the least surprising calculation, in astronomical figures, is that of the passenger traffic of German railways, made by the German State Railways on records dating back to 1935. In distance, German railway trains travelled 726 million kilometers in that year, or nearly five times the distance from the earth to the sun.

1,200 Million Passengers

Through trains of the German railways carried 1,200 million passengers in the same year, with city and suburban services of Berlin and Hamburg carrying an additional 487 million—an increase of 173 million on through trains compared with 1933 and a gain of 75 million in local passengers in two years.

The total, 1,489 million passengers, represents more than four millions a day, or the equivalent of the German railways transporting the entire population of Switzerland from Berlin to Potsdam every 24 hours.

Industry and Labor

Eighteen Years Since Last Move Was Made in Canada to Interpret Employer-Employee Relations

General labor unrest which Canada shares with the United States, and widespread discussion of labor organization provoked by intensive drives for unionizing of unorganized workers, emphasizes that for 18 years there has been no general conference in this country between spokesmen for Canadian employers and workers as a whole.

Also lacking have been pronouncements on labor policy by representative bodies or spokesmen of employers, or by joint conferences of employers and workers. Numerous declarations have been periodically made, of course, by leaders of organized labor on such questions as the right of organization, the need for better wages and shorter hours, and social legislation improving the lot of workers.

The last National Industrial Conference was convened at Ottawa in September, 1919, by the Canadian Government, and attended by representatives of the Federal and provincial governments, employers in all branches of trade and industry in the Dominion, and of workers throughout the country. The subjects discussed related to industrial relations, labor laws, and labor features of the Versailles Peace Treaty.

Restricted Parleys

Since then there has been no such generally attended or representative parley. There was an industrial relations conference in February, 1921, but attendance was confined to Federal department of labor officials and representatives of a limited group of larger companies in Canada which had established joint plant councils with their employees. In May, 1921, the labor department called a conference which was attended by spokesmen for both employers and employees, but only within the field of the building and construction industries.

From that time to the present, joint consultation of Canadian employers and workers has been limited to representation of both groups at the yearly conferences of the International Labor Office, wing of the League of Nations. Both employers and workers in the textile industry of Canada were represented at the World Textile Conference in Washington in April of this year.

At the 1919 conference in Ottawa, a joint committee of employers and employees grappled with the question of collective bargaining, right of workers to organize, and recognition of labor unions. The employer and worker members of the committee found themselves unable to agree, and filed separate reports. As the only known expressions of policy emerging from a general consultation of Canadian employers and workers, they are reproduced below for purposes of recollection and comparison.

Employers' View

The employers' section of the committee evolved the following declaration of principle:

"(a) Employers admit the right of employees to join any lawful organization.

"(b) Employers should not be required to recognize unions or establish 'closed shops.'

"Employers insist on the right, when so desired, to maintain their plants as 'open shops,' by which they mean that no employer should discriminate against any employee because of the latter's membership or non-membership in any organization, and no employee should interfere with any other employee because of the latter's membership or non-membership in any organization.

"(c) Employers should not be required to negotiate except directly with their own employees or groups of their own employees."

Workers' Policy

In the report of the employees' section, adoption by all employers was urged of the principles of (a) the right of employees to organize, (b) recognition of labor unions, and (c) right of employees to collective bargaining.

The report made the following definitions of these principles:

"(a) The right of employees to organize or form themselves into associations for lawful purposes; (b) the right of employees or their duly accredited representative or representatives, to recognition of their employer or employers, for the purpose of mutually arranging rules and regulations governing wages and working conditions; and (c) negotiation of agreements between employers or groups of employers, and employees or groups of employees, through the representative or representatives chosen by the respective parties themselves."

The last definition was expanded by the following qualification: "Entering into agreements and bargaining collectively with an association or union of employees does not mean recognition of the 'closed shop' unless the agreement so provides." The employees' report was concluded by a request that federal and provincial governments pass legislation to make it unlawful for employers to discriminate against workers because of union membership or union activities outside of working hours.

Industrial Councils

Another joint committee at the 1919 conference brought in a unanimous report advocating greater cooperation between employers and workers through establishment of "joint industrial councils." It was not made clear whether this referred to plant councils such as those now established in many Canadian factories, or to joint councils of the type which embrace representatives of a number of employers' and employees' groups within designated areas.

That this recommendation was capable of two interpretations was indicated at the 1921 conferences. The parley in February of that year devoted itself almost entirely to the operation of plant councils, while the construction industry conference in May dealt with the question of industrial councils within particular districts.

As far as can be ascertained, both labor and employers still adhere basically to the principles enunciated in 1919, though in the case of the employers modification or abandonment of such policies has been forced by pressure of local circumstances.

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The first of the two-hour flights inaugurating the new Montreal-New York air line service was made recently by the 21-passenger Douglas plane shown above. The flight proved, officials say, that the scheduled one hour and 59 minutes flying time between the two cities can be maintained easily. The time of the trip from the centre of Manhattan to the centre of Montreal has been cut to well under four hours by the new service. Montreal now has two daily services to New York. The Douglas flagship is 65 feet long, with a wing spread of 95 feet. The passenger cabin is 34 feet long, eight feet wide and six and one-half feet high.

Mersey Paper Offering

From Our Own Correspondent

MONTREAL. — Royal Securities Corp. is making a public offering of $4 millions of 20-year 5% first mortgage sinking fund bonds of Mersey Paper Co.

Offering of the bonds represents long deferred financing by Mersey Paper. In 1929 arrangements were made to issue $5 millions of first mortgage bonds, but the financing was held up owing to the collapse of the market. Since that time the company has had large bank loans against which first mortgage bonds were hypothecated. By Dec. 31, 1936, there were $4.6 millions of bonds deposited with the bank as security for loans.

Proceeds of the issue are to be used not only to liquidate capital bank loans, but also to pay off mortgages on timber limits and agreements of purchase and to reduce current liabilities.

A pro forma consolidated balance sheet as at Dec. 31, 1936, giving effect to the financing, shows marked improvement in the working capital position, current assets exceeding current liabilities by $1.1 million.

Not only is the capital bank loan of $2,760,000 being liquidated but current bank loans are being reduced by $270,000 and accounts payable by $154,000. Mortgages of $547,000 on timber limits are being paid.

In addition to the issue of $4 millions of first mortgage bonds Mersey Paper Co. has sold $200,000 addition 6% general mortgage bonds.

Mersey Paper Co., Ltd.
$4,000,000
5% 20-Year First Mortgage Bonds
Series A

Dated: June 1, 1937. Due: June 1, 1957.

Company—Owns and operates at Brooklyn, on Liverpool harbor, N.S., a newsprint mill, with 100,000 tons annual capacity. The company has its own dock facilities and through two wholly-owned subsidiaries owns two steamships.

Capitalization—	Author.	Issued
5% 1st mtge. bonds	$8,000,000	$4,000,000
6% gen. mtge. bonds	4,000,000	2,099,500
5½% pref. stock, par $100	5,000,000	5,000,000
Common stk., n.p.v.	150,000 sh.	150,000 sh.

Earnings — Average annual consolidated earnings for the past seven years available for bond interest, depletion, depreciation ano income taxes were $790,656, as against annual interest charges of $200,000 on first mortgage bonds to be outstanding. Consolidated earnings in 1936 amounted to $784,523 and earnings for 1937 are estimated at $950,000.

Security—First mortgage on all properties, present and future, and floating charge as to all other assets.

Sinking fund—Commencing July 2, 1940, of 2½% annually of bonds issued, plus interest on bonds previously redeemed.

Redeemable—On 30 days notice at 104 before June 1, 1942, the premium decreasing ¼ of 1% until June 1, 1956, and thereafter without premium.

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Investment Service in the Maritimes

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SIXTH ANNUAL REPORT

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ASSETS

Current Assets.		
Loans Receivable	$229,815.81	
Cash on hand and in Bank	7,677.67	
Securities and Investments (at cost)	13,411.70	
Cash Value—Life Assurance	1,569.30	
		$252,474.48
Instalment Investment Subscriptions		128,481.66
Fixed and Miscellaneous Assets.		
Office Furniture and Fixtures—Cost less depreciation $1,097.41	$ 2,133.67	
Share Capital Discount	22,502.00	
Organization and Legal Expenses	625.00	
Prepaid and Deferred Expenses	807.74	
Goodwill	15,000.00	
		$ 41,068.41
		$422,024.55

LIABILITIES

Current Liabilities.		
Sundry Accounts Payable	$ 448.25	
Royal Bank of Canada Cheques outstanding	3,440.28	
Royal Bank of Canada Loans	15,000.00	
General Finance Corp. (Yarmouth) Ltd.	1,000.00	
		$ 19,888.53
Federal Income Tax (due June 30, 1937)		331.24
Interest on Investment Certificates (Accrued to February 27, 1937)		2,083.33
Investment Notes and Certificates.		
6% Investment Certificates—Maturities 1945-47	$154,945.50	
5% Investment Certificates—Maturities 1940-42	3,920.60	
4% Investment Certificates—Demand	4,019.23	
Investment Notes	2,500.00	
		$165,385.33
Instalment Investment Certificates	181,983.47	
Less Earned Income	2,959.10	
		$179,024.37
Capital Liabilities.		
Authorized Capital		
7,500 Shares Ordinary NPV—Class B		
Paid-up Capital.		
7,500 Shares Ordinary NPV—Class B		28,500.00
Reserves		
Unearned Interest	$ 7,924.96	
Doubtful Debts	12,500.00	
General Account	2,000.00	
Deferred Commissions	142.00	
Dividend due and payable March 15, 1937 to shareholders of Record March 6, 1937	2,250.00	
		$ 24,816.96
Surplus Account		1,994.79
		$422,024.55

PROFIT AND LOSS

General Expenses, salaries, rentals, Stationery, Office Supplies, taxes, etc., including allowances for expenses in connection with outside companies	$ 16,699.80
Interest Paid on Investment Certificates including interest to February 27, 1937	9,115.46
Interest paid on Bank and other loans	1,598.41
Commissions paid on sale of Investment Certificates	2,379.48
Reserve for Unearned Interest	7,924.96
Depreciation Furniture and Fixtures	323.10
Life Assurance Premiums	643.25
Reserve for Doubtful Debts	2,500.00
Reserve for Federal Income Tax	331.24
Operating Profit to Surplus Account	1,233.78
	$ 42,749.48

Gross Interest earned	$ 42,605.41
Miscellaneous Income	144.07
	$ 42,749.48

SURPLUS ACCOUNT
February 27th, 1937.

By undistributed Surplus February 29, 1936		$ 409.81
Increased Value Life Assurance		420.00
Operating Profit year ending February 27, 1937		1,233.78
Profit on sale of Securities and Investments		15,931.20
		$ 17,994.79
To Dividends Class "B" Common Shares	$ 9,000.00	
Reserve for Doubtful Debts	5,000.00	
General Reserves	2,000.00	
	$ 16,000.00	
By Net Surplus to Balance Sheet	1,994.79	
	$ 17,994.79	$ 17,994.79

Halifax, Nova Scotia.
April 8th, 1937.

To the Shareholders.
General Finance Corporation, Limited.
Halifax, Nova Scotia.

We report that we have audited the Books and Accounts of your Corporation for the year ending February 27, 1937.

We have received all the information and explanations we have required. We have examined Loan Agreements and Authorizations, Securities pledged as Collateral against Loans, and find same in order.

It is our opinion that the annexed Financial Statements exhibit a true and correct view of the affairs of your Corporation as at said date, the Books conforming thereto.

Respectfully submitted,

NIGHTINGALE, HAYMAN & CO.,
Chartered Accountants.

DIRECTORS

L. D. MORRIS	Halifax, N.S.
R. E. HYSON	Merchant, Mahone Bay, N.S.
C. NOBLE CROWE	President and Managing Director Telfer-Crowe Woodworkers Ltd., Bridgewater, N.S.
A. W. DeWOLF	Halifax, N.S.
W. C. ACKER	Halifax, N.S.
I. L BRENTON	Proprietor, Army & Navy Dairy, Brunswick St., Halifax, N.S.
L. J. PROCTOR	Manager, Royal Print & Litho Ltd., Halifax, N.S.
GEORGE J. SMITH	Principal Modern Business College, Saint John, N.B., Success Business College, Moncton, N.B.
A. D. JOHNSON	Proprietor, Maple Leaf Dairy, Halifax, N.S.

OFFICERS

L. D. MORRIS	President and Managing Director.
W. C. ACKER	1st Vice-President.
R. E. HYSON	2nd Vice-President.
A. W. DeWOLF	Treasurer.

AUDITORS

NIGHTINGALE, HAYMAN & COMPANY
Chartered Accountants
Hollis St., Halifax, N.S.

BANKERS
Royal Bank of Canada, Halifax, N.S.

HEAD OFFICE
435 Roy Building, Halifax, N.S.

Maritime Labor Outlook

Relations Between Employer and Employee Believed More Stable Than Other Parts of Canada — Provincialism Seen as Influence Working Against Possible Strike Measures — Outside Advice Looked On With Suspicion

Labor conditions in the industrial centres of the Maritime Provinces are believed to be the most stable in Canada and little trouble is anticipated from the present wave of unrest sweeping through other sections of the continent. This is the general consensus of opinion among scores of industrial leaders interviewed by The Financial Post recently.

True, the Nova Scotia government last spring approved of what is admittedly the most advanced piece of labor legislation ever passed by any Canadian parliamentary body and lately strikes have occurred in both Nova Scotia and New Brunswick. But while some business executives in both the former provinces have shaken their heads when this legislation was mentioned no serious tie-ups are seen on the industrial horizon.

There is a universally held belief that the Maritime Provinces are not vulnerable because in only a few points are there very large industries. Sydney is the one place of importance that can be remotely described as a one industry town. Even in this case there are two sharp divisions, coal mining and steel production. One management looks after both activities but there are two distinct branches of labor.

Dosco Reorganization

When The Post representative dropped in at Sydney, labor in the big Dosco steel plant was just being reorganized. Under the new Nova Scotia legislation not only was this reorganizing perfectly permissible but also the introduction of the check-off system if the men voted in favor. Where any Nova Scotia company had been making a practice, for any reason, of deducting any part of the wages due, then the check-off system, if approved by a vote of the employees, is compulsory. This means that the company concerned must deduct union dues and hand the lump sum over to the approved union.

Sydney steel workers have approved both the union and the check-off system. This decision, however, does not necessarily mean any immediate strike for higher wages, though it may mean that some further increase in wages will be paid. In any case, however, coal mining in the Sydney area is the most important industry and with the big mines, comprising about 90% of the miners in Nova Scotia labor conditions are reported as generally satisfactory. A new wage scale, recently agreed upon, has about two years to run.

Nova Scotia Legislation

Quite a flurry of labor organizing and strikes has followed the Nova Scotia legislation, with the Government probably the most serious sufferer to date. The uneconomic coal mines operated by the Government have been tied up, but as these are small, admittedly not of a commercial so much as a relief undertaking and the strikes were started against the direct advice of the miners' unions, there is not a great deal of sympathy or interest.

Road workers on the new highways have also shown some reluctance about accepting the scale of wages paid. Here again, however, there is not a great deal of interest or alarm and it is believed that after the election this month most of this sort of thing will have blown over.

In one or two of the largest Halifax industries there has been some talk of strikes but substantial wage increases during the last year forestalled most discontent. Only where pay has been very low and increases have reluctantly followed discontent does there seem to be real danger of tie-ups.

Across the Bay of Fundy in New Brunswick the general situation is considered to be still less vulnerable. Here payrolls are relatively small, though there are a very considerable number of industries. As in Nova Scotia, however, shorter hours, more employment generally and a large number of recent pay increases have combined to reduce friction between employee and employer.

Some Exceptions

There are some exceptions, of course, but on the whole the depression was not as serious nor as prolonged in Maritime industries as in other parts of the Dominion. There was relatively more employment right through the bad years and because of the more intimate labor relations in small plants generally, less hardship through curtailment of production. Most factory owners endeavored to spread work around among all the employees and in some cases special funds were used for making a small weekly payment to all regular employees even when the plants were shut down.

All this sort of thing is just the opposite kind of a build-up for serious labor troubles and particularly so in an area where the average factory is still largely regarded as a family concern. Usually both employee and employer represent at least the second and sometimes the fifth or sixth generation in the same town. Even in the big steel plant at Dosco and in the mines at New Glasgow there is a good deal of friendly connection between office and plant. Many of the senior men started at the bottom.

Provincialism Helps

Finally, there is the personality of the Maritime workman himself. Like his employer he prides himself on his "provincialism." He is a Nova Scotian or a New Brunswicker. He is not readily going to accept the advice from an outsider whether that be "head office" or "Union headquarters" unless that advice meets his own cool headed approval.

Even among the coal miners, who represent one of the earliest international unions in Canada and for whom John L. Lewis is said to have a special affection, that feeling Nova Scotian loyalty is distinctly noticeable. They called in Lewis to settle their strike in 1925 and for that undertaking he is still praised sincerely by most miners and many Maritime executives, but they point out that they issue invitations, but do not necessarily accept them.

Industrial Centres

Saint John, Halifax, Sydney and Moncton Lead in Maritime Manufacturing

Saint John, Sydney, Halifax and Moncton are the leading industrial cities of the Maritime Provinces, according to a survey of gross value of production by the Dominion Bureau of Statistics. Preliminary figures just received from Ottawa, only cover 1935 and since then greater activity especially in coal, steel, and newsprint industries will certainly have revised estimates upward.

Saint John is credited with the largest gross output but falls considerably behind Sydney in capital invested and wages paid. Halifax, third in gross output and capital invested, is second in wages paid. From the standpoint of wages alone the survey indicates that such towns as Liverpool, Truro, New Glasgow and Trenton in Nova Scotia and Milltown in New Brunswick are important industrial centres.

The attached figures are valuable for purposes of comparison only. They cannot represent present day totals. Moreover the scattered nature of such important Maritime industries as coal mining, lumbering, newsprint production and fishing makes it impossible to secure accurate statistics concerning total investment and employment.

Principal Statistics of the 20 Leading Cities Maritime Provinces

Cities and Towns	Establishments No.	Capital Invested $	Labor Wages $	Total Employees No.	Total Salaries & Wages $	Gross Value of Prod'n $
Saint John, New Brunswick	141	19,568,144	1,799,346	2,966	2,918,894	15,579,709
Sydney, Nova Scotia	30	23,568,939	2,398,723	1,899	2,386,198	11,616,575
Halifax, Nova Scotia	102	12,306,061	2,128,767	2,972	3,077,630	10,791,529
Moncton, New Brunswick	44	6,310,217	1,502,268	2,009	1,912,622	5,445,520
Dartmouth, Nova Scotia	12	4,652,081	318,460	341	428,420	4,761,619
Liverpool, Nova Scotia	8	10,714,843	570,557	606	794,393	4,014,323
Edmundston, New Brunswick ..	10	5,996,727	373,679	472	450,843	3,371,895
Truro, Nova Scotia	27	3,356,821	560,565	970	690,919	2,860,645
Trenton, Nova Scotia	3	7,535,284	530,164	605	585,886	2,328,857
Bathurst, New Brunswick	13	5,306,881	342,994	420	471,019	1,939,445
St. Stephen, New Brunswick	15	2,280,736	260,333	542	437,945	1,844,539
Yarmouth, Nova Scotia	32	2,413,639	300,420	500	364,858	1,625,303
Milltown, New Brunswick	3	2,966,517	481,043	647	495,938	1,467,136
Charlottetown, Prince Edward Is.	36	1,268,770	214,557	388	315,871	1,433,920
New Glasgow, Nova Scotia	25	1,831,646	366,222	508	462,022	1,399,986
Amherst, Nova Scotia	27	3,285,362	305,582	490	500,555	1,297,056
Fredericton, New Brunswick	27	1,311,670	213,910	389	314,876	1,081,177
Newcastle, New Brunswick	11	1,492,087	162,461	353	178,262	989,746
Windsor, Nova Scotia	13	938,115	138,361	273	186,830	989,222
Sackville, New Brunswick	11	1,548,644	223,840	339	311,646	902,539
Total, leading cities & towns..	590	118,653,184	13,192,252	17,689	17,485,627	75,740,741

Note:—Statistics for cities and towns do not include central electric stations.

Buying Power Increases In New Brunswick

Many Saint John and Provincial Organizations Increase Wage Schedules. Higher Scale for Lumbermen. $4,335,000 in Road Contracts.

PROVINCIAL CHAIRMAN HOME IMPROVEMENT PLAN RECEIVES REPORTS SHOWING INCREASES IN EMPLOYMENT THROUGHOUT PROVINCE

Some of the communities on which conditions were reported were as follows, selected at random:

Hartland—Both mechanical and common labor, especially carpenters, is enjoying a much better situation than six months ago.

Perth—"A great improvement here in the trades, especially carpentry. Every carpenter is busy at the present time."

Woodstock—"No serious unemployment problem in this section of the province." With road work supplementing employment in the lumber woods, the jobless are being gradually absorbed.

Moncton—Conditions are much better. Quite a number of new buildings are being erected. Available labor is fairly well employed, an improvement of 15 per cent over last year.

Bathurst—Carpenters, plumbers, electricians and other workers are getting more employment than before, and general labor unemployment is on the decrease.

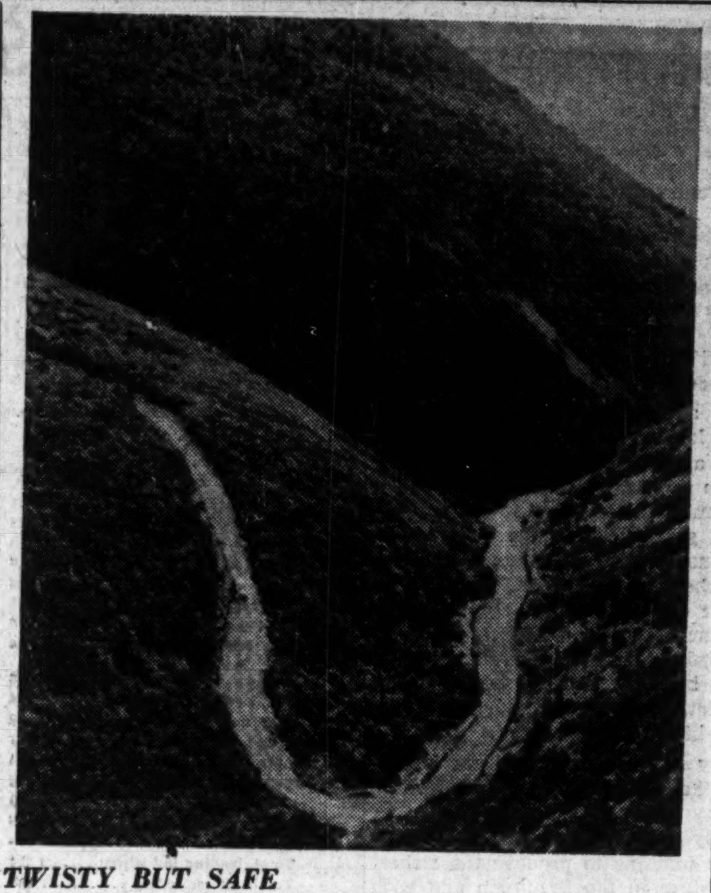
Fredericton—A "very general movement" in remodelling and redecorating of homes is in progress, and more building is going on than at any time in the last 10 years. It is difficult to obtain enough carpenters, masons and other trades workers, as few young men took up skilled occupations in the past years.

Edmundston—There is a "very noticeable improvement in all trades." The general stores report great improvement in cash business, following the increase in pulpwood and sawmill operations. Building work, "dead for the last six years, is showing marked awakening."

Newcastle—"The Miramichi district of Northumberland County has not many in mechanical trades, but what few we have are mostly employed."

Manufacturers, Distributors and Sales Managers will do well to immediately consider the marketing opportunities in Saint John and New Brunswick

THE TELEGRAPH-JOURNAL
THE EVENING TIMES-GLOBE
The only A.B.C. Daily Newspapers Published in New Brunswick.
SAINT JOHN, N.B.
The Maritime Farmer is published under the same direction as the above newspapers, Operators of Radio Station CHSJ.



TWISTY BUT SAFE

Nothing east of the Rockies is said to compare with the rugged grandeur of the new Cabot trail around Cape Breton Island. Though the sea is within a stone's throw all the way the highway climbs to 1,200 feet at McKenzie Peak.

Commercial Fisheries

Atlantic Coast Leads Pacific in Employment But Down in Total Value

If the dependents of the people engaged in the Canadian fishing industry are all taken into account and reckoned on the usual basis of five to one, the population obtaining livelihood from the fisheries is substantially greater than the population of any Canadian city except Montreal and Toronto. And, of course, the fishing industry gives work indirectly to many people other than those who catch and land and process the fish.

85,000 Fishermen

While fisheries employment figures for last year have not yet been compiled, no great change is expected from 1935 when total employed numbered slightly more than 85,000. Of the total more than 70,600 were men who worked in the "primary operations" of the industry or, to put it in another way, men who did the actual catching and landing of the fish and shellfish that were taken. The remaining 15,000, most of them men but some of them women, were employed in canning and curing plants such as the salmon and lobster and sardine factories and the plants processing dried and pickled fish

Although British Columbia tops all the provinces in annual marketed value of fisheries production more people are employed in the Atlantic Coast fisheries. Fishing conditions on the Pacific Coast are different, of course, from those which are found in Atlantic areas. About 56,650 people are employed on the Atlantic Coast, the figures including nearly 2,500 who were at work in the freshwater fisheries of Quebec and New Brunswick. This compares with 17,000 in British Columbia. The freshwater fisheries outside New Brunswick and Quebec give employment to about 8,750 men.

Value Rise Slowly

Value of the Dominion's fisheries dropped sharply during the depression. Value reached its lowest mark for a good many years in 1932, when the total catch was valued at under $26 millions. Then the upward trend began and in 1935 the production was valued at almost $34 millions. Expectations are that 1936 statistics will record further gains. It is already known that the export trade in fisheries products was somewhat larger last year than in the year before.

Maritime Life Company Expands Its Operations

Maritime Life Assurance Company began business under Federal charter 13 years ago, with head office at Halifax. Since that time it has extended operations throughout the Maritime Provinces, and has also developed considerable business abroad. At the end of 1936 it is estimated that about two thirds of total business was done in Canada.

The company's 1936 statement records gains in new business, total assets and insurance in force. Total business in force is now more than $14 millions, an increase of some $900,000 over the 1935 total.

New business, issued and revised during the year was $2.2 millions, a slightly higher figure than in the previous year.

Assets are now at the highest level in the company's history, $2.1 millions. This represents an increase of 13% over the previous year's total. Free surplus after all liabilities was also substantially higher at $24,709. Income for 1936 was 18% above that for 1935, the company reporting a rate of 5.5% as interest realized on the book value of securities.

Foreign Trade

Weekly foreign trade news summarized by Commerce Reports, Washington.

Argentina — Sound basic conditions continue to feature the economic situation, with business sentiment favorable, credits easy, and collections prompt.

Brazil—Despite fluctuating trends in individual lines, the general average of business remains at the satisfactory level of April, many industries operating at capacity.

Uruguay—Primary markets, except cattle and meat, were seasonally slow during May, but wholesale and retail trade was brisk, with collections prompt.

Chile—Although wholesale and retail sales remain satisfactory, rising prices and living costs complicate the outlook.

Peru—Some slackening is believed to have taken place in 1937, as compared with the notable improvement of 1936 over 1935; however, the earlier decline in imports has been arrested.

Ecuador — Notwithstanding generally normal exports, and favorable outlook for the coming coffee and cotton crops, the continued decline in cacao prices has depressed the outlook.

Honduras—A more favorable situation with respect to trade exists throughout the country, owing in large part to the brighter banana outlook.

Dominican Republic — The sharp upturn in volume and value of exports this year has engendered a feeling of optimism in business circles.

Jamaica—Retailers remain heavily stocked, but the outlook is not unpromising, provided storms do not seriously interfere with crops.

El Salvador—The economic situation was marked by appreciably higher customs collections and increased foreign freight tonnage in May.

Fishery Grants

Advances by Newfoundland to aid the fisheries in the previous two years having proved unsuccessful, expenditure by the department of National Resources on supply services, particularly on the outfitting of fishermen, showed considerable decline in 1935-36, "fishery encouragement" amounting to $143,025.

In the last three years grants have totalled about $1.2 million. Of this, $364,000 was spent for supplies, small boats and gear, transportation, etc., for fishermen, loans for building, purchase or repairs of fishing vessels $465,000, and erection and maintenance of bait depots, $186,000. Fishery research, including converting one vessel for base freezing purposes, cost $145,000.

Against this total expenditure, debts and recoverable advances carried in the Government's book amount to $643,000 mainly in respect to fishery supplies and small boats.

Some $184,000 owing to the Government for supplies issued for the 1933 season, have been written off as irrecoverable, and it appears very doubtful if repayment will be secured of a large part of the amount at present outstanding. At the end of last June, less than 14% had been received on installments due at that date in loans made under the shipbuilding scheme. Eighteen of the vessels completed under this scheme did not participate in the fisheries last year, largely owing to difficulties in obtaining supplies and insurance.

Auto Sales Gaining

Total For First Four Months is Up 10%

A visible indication of returning prosperity to the Maritime Provinces is strikingly indicated in totals of new car sales in the first four months of the current year. These are up 10% over 1936, which in turn was more than double the sales in the first third of 1935.

The most spectacular gains were made in the industrial areas of New Brunswick and Nova Scotia where sharp upward gains in production of steel, coal, lumber, newsprint and general manufacturing has greatly increased employment and earnings. Gains in Halifax, Saint John and Sydney have been particularly pronounced this year and have continued, it is understood, well into the summer months.

Details of sales for the first four months are as follows:

New Car Sales (First 4 Months)

	1937	1936	1935
New Brunswick ..	828	715	341
Nova Scotia	2,122	1,953	948
Prince Edward Is.	242	179	*
Total	3,192	2,847	1,289

*Not reported.

Customs Receipts Encouraging

Despite two reductions in the schedule of tariffs, which were estimated to cost $1 million annually in revenue, customs receipts of Newfoundland in the fiscal year ended June 30, 1936, were only $258,000 less than those for the previous year.

These duties, which produce about three quarters of the ordinary annual revenue of the island, amounted to $6.8 millions in that year, compared with slightly over $7 millions in 1935. Widespread reductions were made in January, 1935, and again in July. They were effected largely on essential articles of consumption and general use with a view to reducing the cost of living. For instance, flour was made duty free, and substantial reductions were made in the rates on boots and shoes, clothing, piece goods and various foodstuffs.

Fluorspar

Lack of Capital is Chief Deterrent to Mine Operations

Operating under restricted capital on a small scale, the Fluorspar Mine at St. Lawrence is steadily improving its position. Shipments of unusually pure spar are being steadily increased by St. Lawrence Corp. of Newfoundland Ltd.

Fluorspar operations were begun in this district, located in the Burin Peninsula, about four years ago, when 1,200 tons were shipped. In the following two years, this production increased by about 1,000 tons each year. Last year, however, it was jacked up from 3,100 tons in 1935 to 8,500 tons. Value of 1936 output was more than $50,000. It is likely that a further increase in production will be shown this year.

Capital Lacking

Lack of capital appears to be the chief deterrent to more extensive operations. One government official has stated that with a mine adequately financed, the problems of St. Lawrence would disappear. The property is being financed largely from current output. Indications are that capacity may rise as high as 25,000 to 35,000 tons annually without adversely affecting the markets. Although 15 workable veins have been exposed, production has been confined largely to a single occurrence. One vein has been exposed for a distance of 7,700 feet, the width bearing from 2 to 13 feet of fluorspar.

A possible market for the product, which is used largely as a flux for smelting iron ore and in certain types of glass, is seen in the United States, where much is now imported from Germany.

Recently, a new discovery near the mine which is being worked, has been undergoing inspection by Lavino Company of New York, and prospects are regarded most favorable.

WE GO ON FOREVER
REGISTRAR—TRANSFER AGENT

THE EASTERN TRUST CO.

Having at Montreal a branch which is in close association with our Toronto office, we are equipped to provide the maximum of efficiency in stock transfer work. We invite stock transfer work for industrial, mining and other corporations, registrarships, deeds of trust for bond issues, and all allied phases of the work.

H. C. OXLEY, Manager

TORONTO OFFICE, 330 BAY STREET

India Newsprint Users Seek Tariff Reduction

From Our Own Correspondent

MONTREAL. — Newspaper publishers in India have petitioned the Government urging the revision of the present 25% ad valorem duty on imported newsprint in view of the relatively heavy advance in the cost of the commodity.

According to the petition the price of newsprint in reels, c.i.f. Calcutta, has risen from $45 a ton to more than $75 in the past year. Recent quotations are nearly $80 a ton. It is pointed out that Great Britain, the United States and France are countries admitting newsprint free of duty in recognition of the essential public services performed by the press. At a time when India is embarking on a new constitutional era, it would be deplorable, it is urged, if the electorate which must be instructed, received less news and less comment.

YOUR GUARANTEE OF QUALITY
Sea-Feald
TRADE MARK REG'D

Under The Sign of the Kingfisher

FISHING is one of Canada's most important basic industries, ranking with agriculture, forestry and mining as essential to the economic success of the Dominion.

Maritime-National Fish Limited are the largest fish producers in Canada—distributing an average of more than sixty tons of fish every working day, year in and year out. About twenty-five different kinds of fish are handled, either fresh, filleted, smoked or frozen, and shipments are made to all Canadian and American points, to Great Britain, Europe and the West Indies.

Thirty vessels of various types and six hundred hands, afloat and ashore, are required to handle all operations. Cold storages equipped with the most modern freezing and storing facilities are maintained; and by-product plants are operated for the manufacture of fish meal and cod liver oil.

A laboratory is conducted for scientific research into the best methods of production, packaging and distribution. And a constant fight is waged to improve both product and service.

The Sign of the Kingfisher — the Company's Trade Mark — is the Emblem of a Great Canadian Industry.

Maritime-National Fish
LIMITED
HALIFAX, N.S. MONTREAL, QUE.
DIGBY, N.S.

Serving an Increasing Clientele in the Maritimes

RECORD OF SERVICE
1934-35 — 967 Clients
1935-36 — 1,972 Clients
1936-37 — 2,801 Clients

RECORD OF CASH RESOURCES
1934-35 — 83,658.01
1935-36 — 189,699.00
1936-37 — 216,599.00

This Company has served the best interests of the public faithfully since its inception and wishes to announce the extension of its services to cover all Maritime points during the coming year.

NATIONAL THRIFT CORPORATION
LIMITED
Halifax — Canada

Selling the Maritimes

(Continued from page 17)

gramme will continue into the connecting highways of a secondary nature.

New Brunswick's main road programme carries into 1938. By the fall of that year and certainly before the summer of 1939, it will be possible to enter the province at several main points from United States and Quebec and carry through on hard surface highways.

Roadside Accommodation

In the meantime, in all three provinces, but particularly in New Brunswick and Nova Scotia, other preparations are being made. These transient tourists do not spend all their money on gasoline and oil. They must eat and they must sleep. Good accommodation is imperative.

Here different branches of the various provincial governments are co-operating. Hotels, homes and camps catering to tourists are being inspected in some sections to ensure a high standard of accommodation. Efforts are being made to improve the quality of meals served. Farmers are being urged to produce those lines for which the tourist traffic will provide a ready and local market. In this connection more attention is being paid to the production of dressed poultry and eggs, vegetables, small fruits and the local marketing of typical Maritime food products, such as lobsters, fresh caught salmon, other sea foods, blueberries and cranberries.

Not so long ago it would have been impossible for a tourist to get fresh lobster in many parts of Nova Scotia after June 1. The season closes on that date in a large section of the province. Yet when a tourist comes down to the sea at Peggy's Cove he much prefers lobster to ham and eggs for his dinner. This problem is being remedied. Fishermen in the lobster areas can purchase pond licenses whereby it is permissible and feasible to keep the lobsters captured during the open season, alive and in first class shape in salt water ponds.

Homecraft Revenue

But there are other purchases in addition to lodging and meals. Services of guides and boats are required. Fishing tackle and souvenirs are in demand. To the small fishing villages along the coasts the tourist is going to prove a very welcome source of revenue. The average income of many a village fisherman from the main occupation has probably not exceeded $500 in recent years. Fishing has taken only a part of his time. But there was no local market for the balance. The governments of Nova Scotia and New Brunswick are encouraging the fisherman to reap a secondary harvest from the tourist.

Efforts are being made to revive the original handicrafts. In the old days practically everything in the way of rugs, furniture, blankets and clothing, as well as boats, nets and gear was made within the village. Men as well as women were great knitters. Often stormbound in winter and with hardly a garden possible along many rocky coves, time is abundant for working with needle, loom or carving knife. The tourist, it is expected, will provide a market for the result.

Maritime Bid For Markets

(Continued from page 17)

the very local market in the next village or town. Such outlets, especially when all cattle, hogs or vegetables are liable to reach the mature stage almost simultaneously are easily glutted and the producer goes home disgruntled and determined to get out of that line very promptly.

However, authorities at Fredericton and Halifax are keenly alive to the necessity of building up a stable and prolific agriculture. They realize that two factors are absolutely essential, standard quality and steady volume. To this end grading laws have been passed and efforts made to permit freer access to the markets of the bigger towns and cities. With the example of potatoes and apples before them Maritime farmers are being urged to do similar things with dairy products, beef, poultry and bacon. Generally higher prices in the last few years, particularly for meats, it is hoped will prove an incentive.

Potentially the two provinces are ideally located for the development of a much more important agricultural industry. Although not naturally a grain growing district, soil and climate combine to produce the richest hay and pasture in the Dominion and with most livestock a supply of good fodder is the main essential. All through the Maritimes there is a big local market in comparison with local production and when the point is reached where that local market has been supplied there is Great Britain only a week distant. No other part of Canada is as near to this the premier food market of the world.

Industrial Score Card

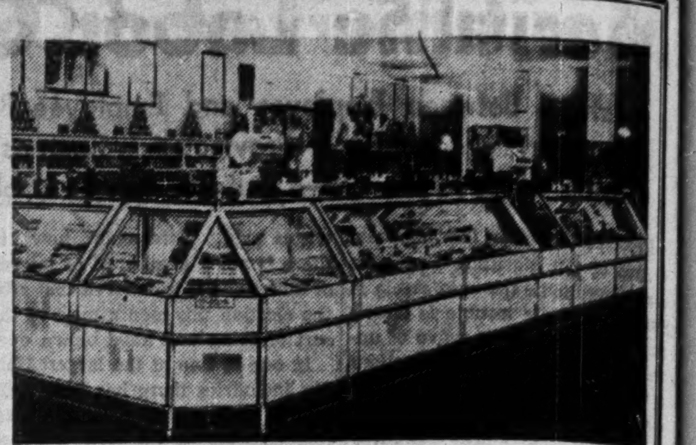
Pulp and paper lead Maritime manufacturing industries from the point of gross value of production, according to a survey based on 1935 returns, which the Dominion Bureau of Statistics is releasing this week. Total returns of almost $19.2 millions from this leading industry was about 10% better than in the previous year reported and a similar gain appears to hold right through the list. Total gross production values of leading industries in 1934 was $95 millions as compared with over $102 millions in 1935.

Statistics for last year, in view of the sharp rise in the values of most lines of production, would be considerably higher right through the list of Maritime manufacturing activity and so far in the current year would be still higher. Chief value of the accompanying tables is for purposes of relative comparisons of the various lines and not as an indication of value of current production.

Standing of Leading Maritime Provinces Industries

Industry:	Plants No.	Capital Invested $	Total Employees No.	Total Salaries & Wages $	Gross Value of Product. $
1. Pulp and paper	11	46,728,106	2,851	3,272,533	19,192,466
2. Central electric stations	126	64,396,507	1,369	1,464,166	8,608,859
3. Fish curing and packing	408	5,310,774	2,806	1,274,646	8,464,149
4. Primary iron and steel	6	19,233,969	1,630	2,161,043	7,987,949
5. Sawmills	896	7,834,600	3,958	1,435,546	6,859,862
6. Butter and cheese	91	2,364,165	570	512,844	3,892,173
7. Coffee, tea and spices	9	2,475,527	337	366,460	3,463,195
8. Railway rolling stock	4	7,840,414	1,370	1,469,264	3,461,006
9. Biscuits, confectionery, cocoa and chocolate	18	3,656,218	1,243	928,436	3,347,658
10. Coke and gas products	4	9,474,572	325	357,653	3,076,899
11. Printing and publishing	62	3,526,485	1,156	1,366,904	3,041,551
12. Bread and other bakery products	173	1,564,941	782	550,326	2,641,030
13. Castings and forgings	24	4,347,035	982	1,098,967	2,617,919
14. Hosiery and knitted goods	4	2,938,895	878	611,486	2,358,113
15. Shipbuilding and repairs	9	7,643,287	689	856,682	2,166,436
All other industries 1/	9	20,873,171	2,350	2,481,497	21,048,578
Total, leading industries	1,854	210,208,686	23,296	20,208,453	102,227,843
Total, all industries	2,483	238,143,537	31,105	26,341,175	126,809,368

1/ Includes:—Sugar refineries, petroleum products and cotton yarn and cloth.



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WALLACE MANUFACTURING CO.
LIMITED
SUSSEX, NEW BRUNSWICK, CANADA

Hepburn-King Breach Viewed With Alarm

(Continued from page 1)

movement which they might sponsor. Mr. Duplessis is engaged in a war on Communism, while Mr. Hepburn is waging a crusade against the C. I. O. which he regards as essentially Communistic in its nature.

Consequently, any movement which the two powerful premiers would form would necessarily be a Rightist movement, appealing to industrial support and appealing, also, to the rural populations of both provinces on the ground of preventing the production of the goods which the farmers must buy from getting into racketeering hands, with the inevitable consequence of increased prices.

Balance of Power

The object of the movement would not be power for itself, but balance of power and dictation of its policies to whatever party formed the nominal government.

Federal political circles are frankly afraid of such a movement. In the first place, statistics are strongly in favor of its success. Ontario and Quebec have 147 seats in the House of Commons. With Mr. Duplessis the power that he is conceded to be in the lower province, Mr. Hepburn campaigning at the top of his dynamic form in Ontario, the danger of the movement securing the balance of power is regarded as too real to be contemplated with comfort.

Furthermore, it is recognized that a Duplessis-Hepburn alliance would have at its disposal that which Mr. Stevens and his ill-fated Reconstruction Party lacked, namely, a campaign fund of as many million dollars as it felt was necessary to achieve its aim. The same group which placed a newspaper organ at Mr. Hepburn's service would, it is realized, sponsor the new movement financially. Furthermore, the support it would have from many industrialists might dry up some of the sources of funds for the old-line parties.

Seek Hepburn Defeat

These fears constitute the motive which will cause federal Liberalism to work for the defeat of Mr. Hepburn. The Ontario premier is regarded as a threat of the most serious proportions to the federal party so long as he remains in public life. The word has gone forth that he is henceforth an outlaw from Liberalism.

These are the facts, even although official Liberalism may not show its hand openly by admitting them. Self-preservation is the first law of politics.

What is the interest of the Conservative party in this topsy-turvy Liberal situation? Does it stand to benefit? As yet political observers cannot tell. The Tories are still jockeying for position. The truth is that, so far, Prime Minister W. L. Mackenzie King has been occupying the middle road which Conservatives would like to occupy. The belief is, however, that events will transpire in Mr. King's own party before another session is over which will force him to move farther to the left. The low-tariff wing of his party is on the warpath on the prairies. Consequently, the Conservatives are hopeful that before long the middle position of compromise between low tariffs and radical monetary policies, and right-wing movement will be theirs. If the Liberal party is divided into both right-wing and left-wing opposition, conceivably it will meet the Tories' idea of a situation promising to their fortunes.

Progressive Out

What of that once great third party, the Progressives, who rose on such a surge of western sentiment in 1921? Is there no likelihood of their revival in the discontent now existing on the Prairies over tariff and financial policies? Parliament Hill does not think so. The time was just after the Great War, when it looked as though the Progressive, with their out-and-out policy of free trade, might be the new and significant party arising in Canada which would force the Liberals and Conservatives to make common cause and join their forces. Then Mr. King, at the 1919 Liberal Convention, achieved a master stroke for which he has never received sufficient credit by working a low tariff plank into the Liberal platform. By that astute move, the present Liberal chieftain captured the Progressive movement, ultimately, for Liberalism. It is unlikely to regain its independence. Its only likelihood of survival at all is as one of the rebellious forces within western Liberalism.

C. C. F. Forces Spent

And what of the C. C. F.? Since the last election they have been looked upon as nothing more than a spent force. At one time, they looked like a threat in the general situation. That was during the depression, when they appeared to be in the best position of any of the parties to capitalize the prevailing economic discontent. But they failed to take advantage of the psychological moment that was made for them, and destiny appears now to have passed them by.

The Social Credit group, without any individual exception, has failed entirely to register an impression, despite the wholesale manner in which its members have filled the pages of Hansard. It is looked upon as the most obvious political accident to which electoral discontent in Canada has ever given rise.

No, the third-party threat of the moment is not among the old third parties. It lies in a new source—the prospect of a Hepburn-Duplessis alliance. And there will be little restful sleep for either of the old parties on Parliament Hill until that long-forecast Ontario provincial general election is over.

What's Ahead For Investments ?

Present legislative and economic trends on this continent strongly suggest that your investments be in EQUITIES — that is in the common stocks of leading companies in diversified fields of business.

We believe there is a strong underlying trend of business improvement ahead but all investments need continuous attention.

Should you wish us to recommend a specific list of stocks, we shall be pleased to do so.

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Eastern Securities Company
Limited

HALIFAX SAINT JOHN, N.B. MONCTON
SUMMERSIDE CHARLOTTETOWN

Shipping is Active

Two Main Maritime Ports Expect to Maintain Last Year's Substantial Gains in Tonnage — General Merchandise Export Cargoes Reflect Improvement in Canada

Year round ports of Saint John and Halifax both report increased current traffic with indications that substantial gains reported in 1936 will be well maintained. Both incoming and outgoing tonnage has improved. These two ports are now operated as part of the Federal National Harbors Board.

On the export side of the picture the principal gain has been in cargoes of general merchandise. This reflects the gradual improvement in general business throughout central and eastern Canada because these ports are more than outlets for the Maritime Provinces. Through them pour exports from much more than half of the continent.

Maritime Shipping
(First Four Months)
Total Tonnage

	St. John	Halifax
1937	1,037,060	818,801
1936	943,280	794,259

Principal products loaded on outgoing boats during the last 12 months have been Canadian wheat, potatoes, apples, lumber and bacon for Great Britain, automobiles for Australia, New Zealand and South Africa, newsprint and fish in the same direction and to South America and metals and scrap metals for Britain and Continental Europe.

Wide Incoming Trade

Coming into both ports have been large quantities of South American and South African corn, New Zealand apples, coal from Great Britain and Sydney, oil from South America, spices, dried fruit and olives from Southern Europe and the Near East, dried, fresh and canned fruits and wool from Australia, bananas from West Indies, textiles and miscellaneous manufactured products from Great Britain.

The accompanying table gives details of shipping in and out of Saint John and Halifax with comparisons for five years.

Saint John Harbor

Shipping:	Inward (Tons)	Outward (Tons)	Total (Tons)	No. of Vessels
Foreign	425,514	918,322	1,343,836	1,125
Coastwise	279,014	101,511	380,525	2,778
Total 1936	704,528	1,019,833	1,724,361	3,903
" 1935	620,303	808,412	1,428,715	3,904
" 1934	633,042	832,782	1,465,824	4,092
" 1933	577,867	663,283	1,241,150	3,818
" 1932	554,859	546,842	1,010,701	3,248

Halifax Harbor

Shipping:	Inward (Tons)	Outward (Tons)	Total (Tons)	No. of Vessels
Foreign	1,062,959	607,597	1,670,556	1,770
Coastwise	197,141	272,761	469,902	4,324
Total 1936	1,260,100	880,358	*2,140,458	6,094
" 1935	1,212,386	983,443	2,195,829	5,907
" 1934	1,089,934	1,006,271	2,096,205	5,513
" 1933	992,628	758,400	1,751,028	5,893
" 1932	855,015	603,068	1,458,083	5,838

* Exclusive of cross harbor movements and bunkering, included in figures for previous years.

Low Cost Financing

Four Per Cent Maximum Yield on New Bond Offerings

Bond sales by several representative Maritime municipalities this week offer striking testimony of the sound financial reputation of the Atlantic provinces. In no case was the yield higher than 4% on these securities and with several short-term issues it fell well below 3% yet there was no difficulty reported in securing ready buyers.

Figuring in the list were Saint John, Halifax, Summerside, Lunenburg and Wolfville. In several cases the bonds were issued to finance road paving contracts within the municipalities in order that these Maritime towns and cities might be linked up with the system of hard surface highways now being built in eastern Canada.

Sales were as follows:

* * *

Halifax, N. S.

The city of Halifax, N.S., sold an issue of $525,000 of 3½% serial debentures, due July 2, 1938-57, to a syndicate consisting of Irving, Brennan & Co. and Johnston & Ward. The successful tender was 99.285 and the debentures are being offered to yield from 2.75% to 3.70%.

Tenders submitted by the various syndicates are given below. In each case only one name for the syndicate is given.

Johnston & Ward	99.285
Eastern Securities Corp.	99.032
T. M. Bell & Co.	98.882
McTaggart, Hannaford, Birks & Gordon	98.75
R. A. Daly & Co.	98.28
McLeod, Young, Weir & Co.	97.06
Dominion Securities Corp.	96.914
Cornell, MacGillivray Ltd.	96.82
J. L. Graham & Co.	96.60

* * *

Summerside, P. E. I.

R. A. Daly & Co., Toronto, has bought $160,000 of 4% debentures, due June, 1952, of the town of Summerside, P. E. I. The debentures, which were to finance street paving, were bought at private sale.

* * *

Wolfville, N. S.

Eastern Securities Co. have bought $15,500 of 4%, 20-year debentures from the town of Wolfville, N.S. The debentures are being offered at 102.50 to yield 3.84%.

* * *

Saint John, N. B.

The municipality of the city and county of Saint John, N.B., sold a $100,000 issue of 3½% one to five year debentures to a syndicate including Wood, Gundy & Co., Bank of Nova Scotia and Eastern Securities Co. The cost basis to the municipality was 2.67%. It is understood that there were four other bids in addition to the successful one.

* * *

Lunenburg, N. S.

The town of Lunenburg, N.S., sold $60,000 of debentures to T. C. Douglas Ltd., at a price to the town of 101.20. The debentures bear interest at the rate of 3¼% for 1938-42 maturities; 3½% for 1943-47 maturities; 4% for 1948-57 maturities. Tenders were as follows:

	$ %
T. C. Douglas Ltd.	101.20
Dominion Securities Corp.	101.09
Cornell, MacGillivray Ltd.	101.00
Irving, Brennan & Co.	100.68
J. C. MacKintosh & Co.	100.67
T. M. Bell & Co.	100.31
J. L. Graham & Co.	100.13
W. C. Pitfield & Co.	100.10
Bank of Montreal	99.93
Eastern Securities Co.	99.80
Johnston and Ward	99.00

Robin, Jones & Whitman Cuts Loss During Year

From Our Own Correspondent

MONTREAL. — Robin, Jones & Whitman Ltd., which operates a trading and fishing business in Quebec, New Brunswick and Nova Scotia, reports net loss of $2,654 in the year ended Feb. 28, 1937, compared with a loss of $41,905 in the preceding year.

Operating profit for the year before deducting bond interest, depreciation and other charges amounted to $56,168 as compared with a net operating loss of $656 in the year ended Feb. 29, 1936.

Working capital improved from $491,068 in 1936 to $515,594 in 1937.

During the year the book value of the common stock was reduced from $20 to $5 a share to permit writing down of goodwill from $75,000 to $25,000 and to write down real estate by $34,420. Fixed assets are carried at $573,377 against which there is held a depreciation reserve of $37,653.

Halifax Power Shows Small Profit in 1936

From Our Own Correspondent

MONTREAL.—Halifax Power & Pulp Co. reports improvement in its operations in 1936, net profit amounting to $463, equivalent to five cents a share on 9,005 common shares. This compares with a deficit of $89,595 in 1935.

Working capital as at Dec. 31, 1936, amounted to $190,640, an increase of $44,000 from June 30, 1935. During the year the company redeemed $11,200 of 5% first mortgage bonds.

ATLANTIC SUGAR
REFINERIES
LIMITED

Lantic Sugar

THE SEAL OF PURITY

SAINT JOHN, NEW BRUNSWICK

Annual Survey of Companies

(Continued from page 18)

newsprint, but derives its income principally from sale of lumber, fine paper and sulphite pulp for the manufacture of artificial silk. This diversification of output has been particularly helpful to the company in re-establishing its position, which in turn has made for better conditions in the New Brunswick lumber and pulp and paper industry.

GENERAL FINANCE

General Finance Corp., of Halifax, which started a general finance business much along the lines of the Morris plan about six years ago, continues to report progress. Original capital of the company was only $1,250, while the balance sheet as at Feb. 27, 1937, showed assets of $422,024.

Shortly after starting operations, the corporation decided to extend its scope to several centres throughout the Maritime Provinces and in 1933 organized companies at Yarmouth, Kentville and Truro. The following year an associated company was established in Moncton and in 1935 further companies were organized in Saint John, New Glasgow and Sydney and again, last year, in Fredericton. Subsequently, companies located at Truro, Moncton, Kentville, New Glasgow and Sydney were acquired by local interests. However, General Finance Corp. has an affiliation with the latter three concerns.

The balance sheet dated Feb. 27, 1937, shows that of the total assets of $422,024, investment notes and certificates represent $165,385, while installment investment certificates total $179,024. The paid-up capital now amounts to $28,500.

Gross earnings last year amounted to $42,749, on which the net profit totalled $1,233. In addition there was a profit on sale of securities and other investments of $15,931.

GENERAL TRUST & EX.

General Trust and Executor Corp. was established in Halifax in 1929 with a Nova Scotia charter. The company's record has been one of steady progress and its first dividend of 2% was paid in 1935. This has been increased to 4% in 1936 and 1937.

At Feb. 28, 1937, General Trust and Executor Corp. had estates under administration totalling $567,206 as compared with $522,637 at the end of 1935-36 period. A substantial increase was shown in guaranteed investment accounts and mortgage investments which now amount to $383,090 compared with $238,047. The latest fiscal period showed a greater volume of business transacted and net profits were $15,837, equivalent to 6.3% on the paid-up capital. The paid-up capital of the company is $252,300.

IRVING OIL

Sales of Irving Oil Co., Saint John, have been on the increase and it is expected that a larger volume of business will be done when the Government has completed its road building programme. During the last two years the New Brunswick Government has been active in hard-surfacing provincial highways with a view to attracting tourists. Results to date have been encouraging and upon completion of the programme it is expected that the number of visitors to the province will show an appreciable increase.

Irving Oil is now the largest independent operator in the Maritimes and has several million dollars invested in property and distribution facilities. According to the last survey the company had 30 bulk stations throughout the area covering over 3,000 retail outlets. Storage capacity totals over five million gallons.

No financial statements have been made public by the company since 1934.

MARITIME TRUST

Maritime Trust Co. is one of the younger trust companies operating in the Maritime Provinces. Its head office is at Saint John, N.B., and a branch office is maintained at Fredericton with agencies at Charlottetown and Summerside.

At the end of 1936, estates, trusts and agency funds under administration totalled $3.9 millions. This represents a substantial increase from the $2.7 millions shown for 1935.

Maritime Trust paid its first dividend in 1934 amounting to $1.50 a share. In 1935 another payment of $1.50 a share was made, while in 1936 the rate was increased to $2 a share. Earnings have comfortably covered the dividend rates and in 1936 a net profit of $8,294 was equivalent to $3.04 a share on total subscribed capital. The company's paid-up capital amounts to $136,100, but this is only 50% of the total subscribed capital.

MARITIME NATIONAL FISH (1937)

Maritime National Fish (1937) Ltd., Halifax, recently made an offering of $500,000 of 6% preferred stock, with bonus of one common share with each preferred, through Eastern Securities Co. The capital consists of 5,000 preferred shares of $100 each and 50,000 no par value common shares.

The company controls National Fish Co., Maritime Fish Corp., and their subsidiaries. The control was acquired from former American owners this year by a syndicate headed by Harold G. Connor and W. H. Moutillier, of Halifax, who are prominent in the management of the enterprise.

Plants are located at Digby and Halifax. The organization operates the largest production in North America in fresh, frozen and smoked fish. And it also refines cod liver oil and manufactures fish meal and allied products.

Consolidated net earnings of the enterprise for the year ended April 30, 1937, were estimated at $100,000 by Eastern Securities Co. in connection with the recent stock offering.

MORTGAGE CORP. OF N. S.

Mortgage Corp. of Nova Scotia, Halifax, has operated since 1901 under Dominion charter, as a mortgage-lending organization.

Last year the company reported earnings equivalent to $8.17 a share, compared with $8.56 a share in 1935. Dividend rate on the capital stock has been maintained at $7 a share consistently.

The company last year showed total net assets of $1,962,570, or more than three times the total debenture and deposit liabilities of $620,061. While the company is not borrowing new money through debentures or deposit certificates at present, because the demand for loans is insufficient, it is paying 3½% on renewals of debentures. The company's assets consist largely of mortgage loans.

Officials of the company are A. H. Whitman, president; A. MacKinlay, vice-president; C. R. Chipman, managing director; N. C. Mitchell and J. R. Corston, directors.

MERSEY PAPER

Mersey Paper Co., operating a newsprint mill at Liverpool, N.S., is operating at capacity and earnings are running well ahead of last year owing to the advanced price for newsprint paper.

It is anticipated that Mersey Paper will be in the market before long with first mortgage bonds. When the company was organized in 1928, arrangements were made for this issue, but the financing was held up owing to the breakdown in the markets. Since that time the bonds have been hypothecated with the banks against loans. Throughout the depression, interest on the bonded debt was covered comfortably, even after depreciation allowance.

Steps have been taken by the company to strengthen its financial position. Last March a recapitalization was carried out whereby the preferred shareholders gave up their rights to arrears of dividends amounting to more than 40% and accepted in return a rate of dividends from 6½ to 5½%, in return for one half of the common stock.

Last year Mersey Paper had an operating profit of $824,219, as against $746,624 the year before. Following its usual custom, the company, after paying bond interest, credited the balance of income to depreciation reserve.

MOIRS

Sales of Moir's Ltd., Halifax manufacturers of confectionery and bakery products, have shown an increase since the beginning of the current year. However, it is still too early to judge what the outcome for 1937 is likely to be, as earnings are very largely determined by the Christmas buying, which does not take place until the fall months.

Last year the company reported a moderate improvement in earnings, net operating income totalling $111,147 as against $104,404 in 1935. Following its usual custom, the company charged all income to depreciation reserve after providing for bond interest.

The balance sheet featured an expansion of inventories which in turn was reflected in a larger bank loan. Inventories rose from $402,955 to $537,861, while the bank loan advanced from $203,000 to $367,000. The forward purchasing of raw materials was undertaken by the management to provide against advancing costs. As a result of this policy, the main requirements of raw materials for 1937 were covered at favorable prices, according to J. C. MacKeen, president.

Prospects this year are encouraging, the president states, due to the company's position in regard to raw materials and to the fact that rising commodity costs will make higher selling prices inevitable.

NATIONAL THRIFT

National Thrift Corp., of Halifax, recorded expansion in all departments over the past year. Business of the company is divided into two sections; issuing of investment certificates which are purchased on the installment plan and a personal loan department.

At the end of last April, the general and loan department showed assets of $199,113, as against $195,623 a year ago, while the investment certificate department showed total assets of $50,386, as against $21,915 at the end of the 1936 year.

In the general and loan department the balance sheet shows a reduction in liabilities from $51,554 on April 30, 1936, to $36,842 on the same date this year. Current surplus and general reserve increased $5,560 to $13,056, after deducting a dividend of $3,508 during the year.

Outstanding loan contracts at the end of last year amounted to $117,580, as against $100,530 in 1936.

Investment in an associated company, National Thrift Corp. (New Brunswick) decreased from $59,604 to $40,699 during the year, this decrease being represented by the sale of 6,646 shares at a figure profitable to National Thrift.

Total income of the company for the 1937 fiscal year, amounted to $39,127, as against $46,605 for the two preceding years. Net income for the past year was $9,060. Dividend of $3,500 was paid on the no par value common shares, leaving an undistributed balance of $5,560 for the year.

N. B. INTER. PAPER

New Brunswick International Paper, subsidiary of Canadian International Paper, operates one of the largest newsprint mills in the Maritime Provinces at Dalhousie, N.B. For some time past the company has been operating at capacity and indications are that the rate of production will be maintained throughout the balance of the year.

No particulars are available as to the output or earnings of this enterprise, as its operating and financial returns are consolidated with those of the parent company. Neither is there any direct investment interest in the enterprise, as it was wholly financed by associated companies.

N. S. SAVINGS

Nova Scotia Savings Loan and Building Society, Halifax, was established in 1850. It does not publish an income and surplus account, but all mortgagors and shareholders in the Society participate in mutual benefits from revenues. The Society's assets, consisting largely of mortgage loans, totalled $3,522,644 at Jan. 31, 1937, an increase of somewhat less than $100,000 in the year. Assets are therefore more than double the combined total of $1,542,000 of debentures and deposits. Approximately 90% of the company's assets consist of mortgage loans.

Hector McInnes, K.C., is president of the Society, and other directors are: Arthur B. Wiswell, J. Fred Fraser, Walter Mitchell and Walter deW. Barss, K.C. The secretary-treasurer is Frederick A. Lane.

N. S. TRUST

Nova Scotia Trust Co. has operated since 1912 with head office at Halifax. This company operates under a provincial charter and its mortgage investments are entirely in Nova Scotia. The company is celebrating its silver jubilee in 1937.

A substantial increase in estates and trusts under administration was reported by the Nova Scotia Trust Company for the year ended Feb. 28, 1937. At that date a total of $7.1 millions was being administered as compared with $6.1 millions at Feb. 29, 1936.

The company's $7 a share dividend rate has been comfortably earned in recent years, the actual earnings in 1936 amounting to $10 a share. Net profits, however, for the last fiscal year were $47,486 compared with $54,553 in the preceding year.

Transfers from profit and loss and from the investment reserve, which is stated to be greater than required, have brought the company's general reserve to $200,000. This is equal to about 42% of paid-up capital.

PORT ROYAL PULP

Port Royal Pulp and Paper Co., operating the old Nashwaak pulp plant at Fairville, N.B., is working at capacity.

Since the plant started operations in 1932, the company has been producing high-grade sulphite pulp which is marketed mainly in the United States, Kalamazoo and other centres. Late last fall it secured an important contract from the Brown Corp. to supply between 25,000 and 30,000 tons of sulphite pulp for rayon manufacture to a Japanese importing firm.

Expansion in the Port Royal plant was necessitated by the order. In addition, the city of Saint John built a new dam on Menzies Lake to furnish the plant with an additional three million gallons of water a day.

In order to carry out its expansion programme and to take care of the additional business, the company sold $385,000 of 5% first closed mortgage serial bonds. Part of the proceeds was used to retire the old 6% bonds, the balance being used for additions and improvements to the mill, increasing the capacity to 35,000 tons of bleached sulphite annually.

During May the company put into effect a 10% wage increase for employees of its Fairville plant, which is working three shifts at present and employing more than 250 workers.

SAINT JOHN DRYDOCK

Saint John Dry Dock and Shipbuilding Co.'s current volume of business is on about the same basis as a year ago.

During the last two or three years the company has experienced an exceptionally good volume of business. In addition to a large amount of ship repair work, it has been engaged in other fields of activity, such as dredging, steel construction work, etc.

The company owns the largest graving docks in the British Empire. It is situated at the head of Courtney Bay, within the harbor limits, and adjacent to the Port of Saint John.

STANFIELD'S

Stanfields, one of the largest Maritime textile manufacturers with operations centred at Truro, N.S., reports an improvement in sales over a year ago, current volume of business being as big as in 1929. The gain in net revenue has not kept pace, however, due to advancing costs of raw materials, part of which have had to be absorbed by the company.

Particulars of income for last year are not available, but in 1935 the company earned $135,043 as against $119,864 in 1934. Dividends have been paid regularly.

Last year the company took steps to redeem its preferred stock. Funds for redemption were raised from the proceeds of a bank loan, together with cash on hand. The only capital stock outstanding at present is 12,000 shares of no par value common, of which 10,000 have already been issued and paid up.

Recently Stanfields consolidated sales forces further, and opened a warehouse in Montreal.

YARMOUTH BUILDING

Yarmouth Building and Loan Society, Yarmouth, N. S., has been in operation since 1876, and was incorporated in 1880. The company's total assets of $412,596 at Dec. 31, 1936, consists largely of mortgages on properties in the neighborhood of Yarmouth.

The company's debenture liabilities last year amounted to only $21,592, and practically all the assets represent the equity of shareholders. In 1936, earnings were equivalent to $6.92 a share, compared with $6.57 a share in 1935. The Society has maintained its annual dividend rate consistently at $6 a share.

The management of the company is under W. C. Purney, president; J. W. Grant, secretary-treasurer, and directors B. S. Robbins, G. Killam, A. P. Stoneman and R. S. McKay.

Rich Harvest In Lobsters

Export Market for Live Fish Increasing Rapidly

Canada's lobster fisheries are entirely confined to the Maritime Provinces and the annual harvest of the crustaceans forms an important source of income to commercial fishermen operating along the coast of all three provinces. The true lobster is found chiefly off the shores of the Maritimes, Newfoundland and in some European areas.

Until a comparatively few years ago the greater part of the Dominion's annual lobster catch was consigned to the canneries. These are located up and down the shores of New Brunswick, Nova Scotia and Prince Edward Island. Recently, however, part of this trade has been diverted to the live lobster market particularly in and around Boston where each year approximately 100,000 cwt. of live lobsters are exported valued at anywhere from $1.5 to $2 millions. The lobsters are shipped in special tanks and before shipping or as a matter of fact before even taken any distance, the claws are muzzled by means of a little wooden plug inserted just above the joint at the body.

Continuous Supply

In addition to the live lobster markets of the larger cities both in Canada and United States an appreciable number of these crustaceans are disposed of to tourists. These are either sold alive or are especially boiled in big, black iron pots along the roadside. In order to assure a more or less continuous supply of live lobster fishing seasons vary for different areas throughout the Maritime Provinces and licenses are supplied to those persons who desire to hold live lobsters in salt water ponds for continuous distribution during the closed seasons.

Due to the growing market for live lobsters the output of the canned variety is not as large as it was some years ago. However, production is still estimated at well over 100,000 cases annually. This canned lobster constitutes an important export for the Maritime Provinces. It finds a substantial outlet in Great Britain, Continental Europe and United States.

Grand Manan

Grand Manan Island, popular Maritime tourist place, is approximately 200 square miles in area, and is situated in the Bay of Fundy about nine miles from the Maine border and 21 miles from Eastport.

Markets for Apples

Nova Scotia Government Working on Plan For Export of Only Highest Grade and Use of Others for Prepared Products

Although mixed farming has always ruled in Nova Scotia and under the present scheme of gradual agricultural reorganization is receiving still greater emphasis, at the same time apples constitute the largest single cash crop. Total yield in good years has often run well over 2.5 million barrels or a larger volume than is produced in either British Columbia or Ontario. Even from a commercial standpoint the industry goes back nearly a century while apples for private use have been grown in Nova Scotia since a few years after the first French settlement began early in the 17th century. From 1881 there has been an important export of Nova Scotia apples to Great Britain.

Much Exported

At present much of the fruit is loaded at local ports in the Minas Basin for direct shipment to Great Britain and Continental Europe.

The bulk of these apples comes from the famous Annapolis Valley which runs southwesterly from Truro about 100 miles and varies from 5 to 15 miles in width. Soil, climate and elevation appear ideal and quality of the fruit produced compares with the very best from anywhere on the North American continent. Perhaps, unfortunately, from a commercial standpoint there is still a very wide range of varieties although under the present programme of agricultural improvement this is being steadily reduced.

Concentration

Not so long ago it would have been possible to secure almost a hundred different types of apples within a distance of 10 or 12 miles but present efforts are being concentrated on the Crimson Gravenstein, Cox's Orange, Russet, Baldwin and Starks. This gradual reduction in variety and with the emphasis placed on types of brilliant color is in conformity with market demands abroad particularly in Great Britain.

Usually the English market will pay a higher premium for a red apple than for a green one and, of course, large shipments of straight variety are more profitable and easily handled than those containing a great many varieties, a large number of which would be unfamiliar to the average consumer. New orchards being sent out from the Annapolis Valley today are practically all of the most approved commercial types.

Another point being stressed in the present agricultural programme is greater utilization of low-grade apples and by-products. Authorities of the Nova Scotia Department of Agriculture hope eventually to let nothing but the highest grade of fresh apples get out of the growing district, the remainder amounting sometimes to 25% in a season when there has been wind or frost damage, will be used for cider, canning, evaporated apples and applesauce and similar prepared products.

Last year's crop of approximately 1.5 million barrels was about an average for Nova Scotia but was very considerably under the crops of the previous three years. Prices, however, were well up to average and would bring in a gross return of close to $4 millions.

Annual production and export figures over a period of years are as follows:

N. S. Apple Crop

Year	Production bbls.	Amount Exported bbls.
1928	1,089,000	681,163
1929	1,737,876	1,405,354
1930	1,172,443	992,951
1931	1,427,492	1,219,025
1932	1,054,500	886,910
1933	2,862,658	2,267,592
1934	2,241,718	1,669,162
1935	1,906,003	1,375,182
1936 (estimate)	1,500,000	865,000

Selling Organizations

Because of the volume of production and the fact that a large proportion of the fruit is sold out by the province, excellent selling organizations have been established and the market is largely in the hands of about 100 organizations, both co-operative and privately managed.

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Gold Mining Expands

Increase of 30 Per Cent Shown in 1936 Output From Nova Scotia — Twenty-two Enterprises Under Way, Including 19 Producing Mines

Although its achievements have tended to become beclouded by more spectacular developments in other provinces, the gold mining industry of Nova Scotia has been making real progress.

The province's gold production in 1936, at 11,902 ounces, valued at $416,927, represents an increase of nearly 30% over the 1935 production figure of 9,328 ounces, valued at $328,252. From the longer term point of view, the increase has been even more impressive, as 1936 production represents an increase of about 800% over the 1933 output.

The goldfields of this province have only enjoyed the benefits of outside capital in recent years, which, with the increased price of gold, accounts for the revival of interest.

As a result of a more plentiful supply of capital, plus modern and more experienced mining methods, the province can today boast 22 gold mining enterprises, of which 19 were in steady or intermittent production in 1936. Six properties can be classified as steady producers. Five additional properties are expected to be in production before the end of 1937.

Guysborough

Representative of the aid which outside capital has been to the mining industry of this province is Guysborough Mines, which has been brought to the production stage as a subsidiary of Ventures Ltd., widespread holding and exploration concern, with headquarters in Toronto. Guysborough Mines, at Goldenville, doubled its capacity last year to 100 tons per day. In 1936, 31,500 tons of ore were milled at this property for a net recovery of $203,194. Last year closed with a small operating profit, Ventures reports, adding that developments during the latter part of the year were "mildly encouraging."

The property itself is developed by a shaft to the 400-foot level, and stoping is being carried out on three levels. Guysborough is capitalized at one million shares of which some 574,928 were outstanding at last report.

Smelters Projects

Another property which has enjoyed success at the hands of an outside parent company is the Caribou property of Nova Scotia Gold Mines, which is being developed by Consolidated Mining & Smelting Co. on a profit sharing basis. Smelters has carried development to some 500 feet, with stations established at 100-foot intervals. In the past year, most of the underground development has been confined to the 500-foot level. Satisfactory results here have led to a decision to deepen the shaft to 1,000 feet.

Consolidated Mining & Smelting Co. is also active in the Salmon River area where extensive drilling has been followed by shaft sinking, the depth at time of writing being reported at over 200 feet.

Seal Harbor

A substantial new producer, added to the list in 1937, is Seal Harbor Gold Mines, which, after three years' development work, started up its new 200-ton per day mill. The company reports that work to the 300-foot level has disclosed a mining width on this level of some 45 feet, an unusually good width for this province. Depth possibilities are considered promising. Last year the shaft was deepened to the 425-foot level, and enlarged from a two to three-compartment shaft from the surface to the 140-foot level.

Nugold

Another company very active last year was Nugold Mining Corp. which began operations in the Blockhouse district, deepening the shaft to 315 feet, with a present objective of 500 feet. This year's programme calls for opening up the levels at the 400- and 500-foot horizons. In addition to a 10-stamp mill, the company plans this year to erect a 100-ton mill, which will probably start work on the old tailings dump, claimed to contain a considerable amount of gold. Under former operators, many years ago, this property was rated as one of the highest grade gold mines in the Dominion.

Montague

Now in production with a mill of 75 tons daily, Montague Gold Mines, near Halifax, has spent a considerable amount of money and time on development work, sinking the shaft to 500 feet, and drifting on the 200-, 300- and 400-foot levels. The property was worked as long ago as 1863, but veins were too narrow to enable profitable operation, until higher gold prices and improved mining methods were introduced.

Waverley Consolidated

Toward the end of last year, Waverley Consolidated Mines acquired the operations of the Lake Thomas Gold Syndicate Ltd. and are continuing development work. The property has been in production with a small mill since early in 1935, work proceeding at maximum depth of 600 feet.

In the Wine Harbor district, Mineral Industries Ltd. is resuming development on an old property, and recently erected a 25-ton test mill, with consideration being given to a possible larger unit.

Another active operation is that of Avon Gold Mines in the Oldham district where mine workings have been dewatered and new equipment installed. Work on several veins has given encouragement, and by the end of the year, it is considered probable that consideration will be given to production.

Otter Lake Syndicate

One of the newer operations is that of Otter Lake Gold Syndicate which started work last year in the Forest Hill district on the old Cameron Mine. In 1937 a 10-stamp mill was put into operation for bulk sampling, and the present development programme calls for deepening the workings.

Many of the gold operations in this province are of the small, more or less private nature. It is, however, such operations which lead to bigger, and with the several new producers making their contribution this year, it is logical to expect further increase in gold production for 1937.

MARITIME GOLD PRODUCER

Coming into production early this year, the new 200-ton mill at the property of Seal Harbour Gold Mines, at Goldborough, N.S., has been giving a good account of itself during preliminary production. All expenses are estimated to run in the neighborhood of $2.50 per ton. Officials estimate that reserves above the 300-foot level comprise at least two years' millfeed.

New Highway Links

New Brunswick Government Expects to Complete Trans-Canada Section By the Fall — Extensive Programme of Modernizing Highways Under Way in the Province

By HON. A. A. DYSART
Premier of New Brunswick

The New Brunswick Government is making very material progress in adapting our main highways to the needs of modern travel. It has been amply demonstrated that gravel roads will not stand up under present-day motor traffic and this condition is aggravated by the fact that the public is demanding open highways during the winter months.

We must meet the situation as we see it. The substitution of the motor vehicle for the horse and wagon means permanent road construction and the quicker we achieve this condition, the sooner will we provide our people with an essential requirement of modern transportation.

Beyond that we must give consideration to our tourist traffic. It is worth millions of dollars to us and unless our roads are comfortable and dust-free, we cannot hope to share in the benefits of the tourist industry to the same extent as our sister provinces which are so equipped and which, unquestionably, are not endowed with our marvellous scenic and sporting attractions.

Complete Highway Link

By the fall of 1937 this Government will have completed the trans-Canada highway through the province from the Quebec border down the Saint John River Valley to the city of Saint John, thence to Moncton, the Nova Scotia border and to connect with Prince Edward Island. There will be permanent road construction from St. Stephen to Moncton and from Moncton to the Quebec border near Cambellton, with a single gap in the Bathurst woods.

We will have established ideal road conditions for tourists entering from the United States, from Quebec and Nova Scotia and there is every reasonable expectation that we will divert through our province tourist trade which has been patronizing Quebec and sister provinces and staying away from us.

Our main traffic highways will then compare with any on the North American continent. They will take the tourist conveniently and comfortably to those main points of historic, scenic and sporting attraction which are recognized and appreciated throughout the world and which, on the last visit made to this province by Premier Baldwin of Great Britain, prompted him to speak in such glowing and admiring terms.

We are consistently planning to enable our people to take advantage of the millions that tourists spend. While we are providing modern facilities for travelling, the Government is also exploring the possibilities provided in the New Brunswick Town Planning Act, 1936, to regulate tourist camps, roadside advertising and promote the beautification of areas which lend themselves to exploitation.

Saint John Port Activity On Greater Scale in May

From Our Own Correspondent

MONTREAL. — Cargo tonnage handled at the Port of Saint John last month showed a moderate increase over May, 1936, imports and exports totalling $79,401 as against $73,690.

For the first five months of 1937, the port handled over 1.1 million tons, an increase of 100,000 tons over the corresponding months of 1936. There was an increase in both imports and exports.

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Work for Coal Miner

Halt Called in Steadily Declining Production of Nova Scotia Mines as Quest For Markets Brings Results — Cape Breton Miners Working Full Time

Today Cape Breton Island, Nova Scotia, is one of the most prosperous places in Canada. There are plenty of new cars on the streets of Sydney, North Sydney and Glace Bay. Most merchants report doing a thriving business. The modern civic built Isle Royale Hotel is crowded with commercial travellers. And it is difficult to get a lower berth on the train pulling out for the south on Friday evenings because these travellers are returning to Halifax, Truro, Saint John, Moncton and the big cities in Central Canada with pockets filled with orders.

Coal is the Answer

The answer to this activity does not lie in the general improvement in Canadian business in the last two years. This improvement has helped in Sydney as in other places, but general economic improvement in other days did not give Cape Breton the purchasing power it has today.

Booming steel sales have helped certainly and the fact that the big mills of Dosco are booked to capacity for the next 12 months has added no small confidence.

But the real answer is coal.

The 8,000 coal miners in and around Sydney and Cape Breton are busy and production, which for a decade had been steadily falling, has recently shown a firm tendency to swing in the other direction.

Here are the output figures of Nova Scotia coal as compiled by the Dominion Bureau of Statistics:

N. S. Coal Production

Calendar year	Output
1928	6,743,504
1929	7,056,133
1930	6,244,300
1931	4,941,490
1932	4,019,068
1933	4,520,148
1934	6,314,441
1935	5,822,075
1936	6,648,933

Not All Prosperous

Now these encouraging statistics and the readily available evidence of prosperity in and around Sydney do not mean that all coal mines in Nova Scotia are on the upgrade. There are at least three old collieries where such emphatically is not the case. One of these is operating under a receivership. Another is being operated by the Nova Scotia Government for the simple reason that no private company could successfully and economically undertake the task. Costs are excessive in these mines.

From a cold business standpoint they should be abandoned. But the liquidation of a coal mine and the town surrounding is no easy task. It would be difficult to re-establish these specialized miners in other occupations and there is no rich agricultural hinterland or other industries to absorb the population involved. The Government through subsidies and locally protected markets has endeavored to keep the mines running, but because of the lower wages paid in these marginal holdings a series of strikes has badly crippled output there this summer. However in the mines around Glace Bay full time work and production is the rule.

New Markets Vital

The story behind this increased prosperity for the bigger mines of Nova Scotia is a long one. It goes back to just after the Great War. During the four-year period of hostilities coal production was stepped up repeatedly. After the war orders ceased came the inevitable slump. This culminated in the disastrous strikes of 12 years ago. The latter focused the attention of the federal authorities on the coal fields of Cape Breton and the provincial authorities in their efforts to seek wider markets for coal at last found allies at Ottawa.

Place of Tariff

Small tariff preferences on both coal and coke were granted and following the Duncan Commission findings of 1926 eventually a policy of railway freight subsidies was adopted. Under this eastern Canadian coal and coke can be brought into Quebec and Ontario areas at a competitive carrying charge with that prevailing on shipments plus duty from the central and northern United States.

In so far as the duties were concerned the decision was partly dictated by the gradual depletion of the hard coal reserves in Pennsylvania and adjacent states. Strikes and sharply rising prices had aggravated the situation back in the early "twenties." In the winter of 1922-23 it was almost impossible to secure American anthracite in Toronto and Montreal. Retail coal dealers could not guarantee deliveries even to their oldest customers. Potential customers were simply out of luck.

U. S. Anthracite

It is understood that Washington warned the Canadian Government that United States could no longer be regarded as a permanent source of hard coal. Development of other fuels subsequently eliminated danger of exhaustion of Pennsylvania fields, but as matter of precaution following the American warning and the strikes across the line, Canada started looking elsewhere for fuel supplies.

Welsh Coal

A gradual adoption of oil by the British Navy released the hard coal reserves of Wales for commercial use. Imports from that quarter commenced arriving in Canada about 12 years ago. In a few years they grew to substantial proportions and allowing for the fact that Canada, in common with United States, has been gradually turning from anthracite to other fuels for residential heating, these imports from Britain have been well maintained. The following table indicates the position:

Anthracite Imports into Canada

	U. S.	Great Britain	Per cent from Britain	Others	Total
1936	1,685,848	1,331,379	37½	544,460	3,561,587
1935	1,670,085	1,454,521	42	326,712	3,451,318
1934	1,804,127	1,643,516	46½	89,666	3,537,309
1933	1,429,829	1,605,776	53	......	3,035,613
1932	1,685,532	1,399,086	44½	53,539	3,138,157
1931	2,236,423	876,364	27½	65,354	3,178,141
1930	2,955,954	996,127	23½	304,009	4,256,090
1929	3,173,043	729,458	18	117,416	4,019,917
1928	3,203,231	526,467	14	7,635	3,737,333

Reorienting Fuel Supply

But a new source of hard coal for Canada was only part of a new national fuel policy. The Dominion authorities decided that Canadian sources of soft coal could also be utilized.

The bituminous coal of Nova Scotia and New Brunswick while widely used in the residential heating equipment of the Maritime Provinces is not considered suitable to the small draft furnaces as commonly used in Ontario and Quebec. It could be and is used satisfactorily without treatment in industrial plants, but for home use it should be used in the open fire type of stove found in England or in specially built furnaces for home heating. But as coke it can be burned in any heating plant and under the new policy of tariff preferences and freight subsidies Maritime coke could be brought into Ontario.

Bridging the Gap

First difficulty of getting Maritime coal into the blind spot of central Canada was outlined succinctly by F. W. Gray, assistant general manager, Dominion Steel and Coal Corp. before the annual meeting of the Canadian Institute of Mining and Metallurgy in 1936, when he stated:

"Freight rates on coal in Canada, which cover movement from east to west, and vice versa, are high when compared with freight rates on movement of coal from mines in the United States, which, so far as Canada is concerned, is a movement from south to north.

"The freight rate structure of the Canadian railways, through long custom and intimate connections with United States railroads, had become more adapted to long-haul transport of coal from United States coalfields into Canada than to movement of Canadian coal from west to east, or to the transference to inland western points of Nova Scotia coal discharged from a vessel at a St. Lawrence port, which involves short-haul railway transport and a prohibitively high freight rate.

"The coal transportation subventions have been applied to correction of this condition and to date have assisted the wider movement of Canadian coal without detrimental interference with the freight rate structure of the Canadian railways. That a good deal more can be done in regard to distribution of Canadian coal over Canadian railways is clearly to be seen from what has been accomplished."

Moose River Helped

By two years ago the stage was all set for coal coming up from the Maritimes to as far as Western Ontario. Practically the whole gap between Prairie produced coal, which now supplies territory as far east as Winnipeg, and the black diamonds from the Maritimes would be bridged.

But penetration from the east continued to be slow despite the equalized price with coke and bitumous coal from the south, until the dramatic happening at Moose River.

Now Moose River happens to be a gold mine and Dr. Robertson was born, raised and practised in Ontario, but the Maritime coal industry owes much to the world-wide and particularly Ontario publicity which followed the 10-day entombing of the Toronto surgeon and his associates. Nova Scotia miners and their lives came into the spotlight as never before. When the mining minister of Nova Scotia, Hon. Michael Dwyer, came into Ontario to sell coal after that orgy of headlines neither he nor his industry needed any introduction.

Extra Million Tons

Today about a million tons of Nova Scotia coal or the equivalent in coke annually enter central Canadian market west of Montreal. The tonnage provides steady employment for about a thousand miners, who, in turn, represent a population of at least four times that number. These extra million tons have effectively stopped the shrinkage in output of the major Nova Scotia coal mines. It is largely credited with putting the industry again on its feet and with making industrial Cape Breton a fine place for those commercial travellers who have something to sell.

Poultry

21 Tons Marketed by Nova Scotia in 1936

More than 42,000 pounds, or 21 tons of Nova Scotia poultry were marketed through the medium of producers' marketing pools organized at various points in the province during 1936, according to the markets branch of the department of agriculture. This volume compares with 12,600 pounds marketed in pools in 1935, and 9,300 pounds in 1934, the year in which the pools were inaugurated.

The pools represent the co-operative effort of producers in certain areas to market their poultry on a graded basis. The pools are organized by the producers themselves, with the assistance of provincial and federal officers, who do the inspection and grading and promotion work.

Aside from the remarkable increase in volume of poultry handled by the pool method, the striking feature has been the increase in percentage of top grades. In 1934, only 25.5% of the chicken marketed was graded in the two top grades. Last year the proportion had risen to 60%.

Fish Catch

Nova Scotia Shows Gain in Shell, Sea Fish, Others a Decline

Unrevised figures of the catch and landed value of sea fish and shell fish in the Maritime Provinces for the first four months of the current year are considerably higher than for the same period of 1936. The gain, however, is entirely confined to the fisheries of Nova Scotia which increased output approximately 20%. There was a sharp decline in Prince Edward Island and a more moderate one in New Brunswick.

Statistics as supplied by the Federal Department of Fisheries are as follows:

Maritime Commercial Fishing

	— 1937 —		— 1936 —	
	Catch cwts.	Landed Value* $ 000's	Catch cwts.	Landed Value* $
N.S.	562,888	1,540	497,484	1,206
P.E.I.	10,282	15	25,693	26
N.B.	139,067	236	166,714	314
Total	712,237	1,792	689,891	1,547

*To the fishermen.

Note:—The figures given in each case are unrevised.

Saint John Council Is Forced to Resign

From Our Own Correspondent

MONTREAL.—The common council of the city of Saint John, N.B., has named July 9 as the date for the civic recall election.

Mayor D. L. MacLaren and other members of the council state that they will stand for re-election, but candidates have yet to be named by sponsors of the recall movement.

Criticism of the administration of the present council resulted in presentation of a petition bearing sufficient names to force a recall election. Mayor MacLaren and his associates have been in office for six months.

G. E. Barbour, councillor, claims that a disgruntled minority has been responsible for the recall and that their charges were vague and in some cases false.

Bay Chaleur

Bay Chaleur was discovered by Jacques Cartier on July 10, 1534. It was named "Baye de Chaleur," because of the great heat the explorer experienced on those waters.

Through offices located in Halifax, Saint John, Moncton, Fredericton and Campbellton, connected by private wire with Montreal, Toronto and New York, we are in a position to render a complete service to investors in the Maritime Provinces.

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HON. FRED MAGEE *President.*
HON. DR. E. A. REILLY, K.C., *Secretary.*

THE ADMIRAL BEATTY in SAINT JOHN, N.B.

AER'AL VIEW OF SAINT JOHN, SHOWING ADMIRAL BEATTY HOTEL IN CIRCLE. LOCATED AT KING'S SQUARE PARK. Photo Courtesy of Royal Canadian Air Force.

- Cafeteria with complete Lunch and Dinner from 50c. — Main Dining Room, Table d'Hote and A la Carte.
- RATES Are Standardized As Follows:

Toilet & Lavatory, Single $2.00 $2.50 $3.00
Toilet & Lavatory, Double $3.00 $3.50 $4.00
Bath Single $3.00 $3.50 $4.00
Bath Double $4.00 $5.00 $6.00
Bath, Twin Beds $5.00 $6.00 $7.00

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Special values in forty rooms all overlooking Park and Bay of Fundy. Each room has toilet and lavatory and they are rated at $2.00 single, $1.50 each for double occupancy.

250 FIREPROOF ROOMS FROM $2.00

Calgary Refinancing Scheme Completed

Bondholders' Committee Presents Review of City's Finances

60% NEED TO ACCEPT

Calgary debenture holders' committee has completed its plan for refinancing the city's debenture debt. This plan has been accepted by the city and approved by ratepayers through a referendum.

The plan will now be the basis of a recommendation to the board of public utility commissioners of the province of Alberta. Such a recommendation becomes effective if approved by holders of 60% of the city's outstanding debentures and sanctioned by the lieutenant-governor-in-council.

Digest of Plan

A summary of the plan, as prepared by the committee, is as follows:

(a) Cancel city's securities held in the sinking fund.

(b) Refund other debentures and debts by new debentures of the same face value due Jan. 1, 1962. Debentures bearing 4½% will continue to bear that rate. Those bearing 5% will continue to bear that rate until the present date of maturity and then at 4½% until paid. Those bearing higher than 5% will be exchanged for 4½% debentures and cash equal to the present value of the difference between the interest at the present rate and 4½% for the period up to their present maturity date, or Jan. 1, 1962, if their present maturity date is later than Jan. 1, 1962.

The effect will be to maintain the present interest rate until present maturity and thereafter the rate will be 4½%.

(c) The city will provide for the payment of principal and interest by means of amounts equivalent to equal annual installments of combined principal and interest to retire the whole of the debt by Jan. 1, 1962. The principal portion of these installments will be used in each year to purchase refunded debentures, or to call such refunded debentures, at face value and accrued interest, in the order of present maturities. Refunded debentures purchased or called will be cancelled.

In addition to these annual installments, the securities now in the sinking fund, other than securities of the city, are to be liquidated and the proceeds used to purchase or call refunded debentures.

(d) The refunded debentures will also be callable at face value and accrued interest on any interest due date out of funds from any source. If a part of them only is called, prior to Jan. 1, 1947, they are to be chosen by lot or drawing.

(e) While the refunded debentures will carry an ultimate maturity date Jan. 1, 1962, a portion of them will be paid off each year through the operation of the purchase and call feature.

The new debentures will be dated Jan. 1, 1937, and will bear interest from this date. They will be payable at the same places and in the same currencies as the old debentures for which they are exchanged.

In redeeming any of the new debentures the trustee will be required to do so in the order of the original maturities. This will mean that present debentures maturing in 1937 will be redeemed before those becoming due in 1938, and so on.

Default Defined

Definite provision is made for defining acts of default on the part of the city of Calgary. The debentures will be considered due and payable if defaulted under the following conditions:

(a) If default is made in the payment of interest on any of the new debentures as and when due and the default under this subsection is not remedied within six months after the same has first occurred.

(b) If default is made in the payment of the principal part of the annual installment to the sinking fund trustees as and when due, and the default under this subsection is not remedied within 18 months after the same has first occurred.

(c) If default is made by the sinking fund trustees in applying the moneys in their hands in accordance with the provisions of this plan and the default under this subsection is not remedied within three months after the same has first occurred.

Support Asked

In asking for the support of debenture holders for the proposed plan of refinancing, C. H. Webb, secretary of the committee, states that an exhaustive survey of the city's affairs was made. His statement says, in part:

"The committee has satisfied itself that it is desirable to afford to the city and its ratepayers an easement in the burden of debt charges so as to enable it to ultimately pay its debts without subjecting the city, on the one hand, and debenture holders on the other, to the difficulties of default. The committee believes that, after perusal of the facts of the situation debenture holders will find it in their best interests to approve of the plan."

Short of Capital

Calgary had an excess of current liabilities over current assets of $2.2 millions at the end of 1936, according to the committee's survey. The city is now in a position where it has not sufficient money to meet its current needs and cannot borrow. How quickly it can recover its liquid position will depend on how rapidly tax sale property can be sold or taxation income increased. This in turn depends on a return to more normal economic conditions.

The city's prosperity depends on general business and commercial conditions as it is not an industrial city. Taxes on residences provides 49.9% of income, according to the committee, and commercial and business properties 40.9%. Little new construction has been carried out and 1935 building permit totals were less than one-half those of 1926 and one-tenth those of 1929.

Limit of Taxation

Taxation is said to have reached its limit under existing conditions. During the period 1932 to 1935 inclusive, Calgary's revenue decreased $640,926 while operating expenses, exclusive of relief, dropped $403,573. Unemployment relief cost the city $4,517,747 from 1930 to 1936 and of this $4,017,747 was met out of current revenue. The city's utilities, in addition to meeting their proportion of debenture costs, provided a surplus of about $1¼ million toward decreasing taxation during the period from 1931 to 1936.

The committee feels that there is no further opportunity for any substantial decrease in the cost of ordinary municipal operation. It is also evident that maintenance, postponed from other years, indicate the necessity of additional expenditures.

Capital Liabilities

The city's net capital liabilities were $12.6 millions at the end of 1936. This was made up of unmatured debentures of $21.4 millions and a capital bank loan of $2 millions. Sinking fund was $10.2 millions, of which $6.8 millions were in Calgary bonds, $212,000 Calgary public and separate school debentures and $1.1 million Alberta direct or guaranteed securities. Under the proposed refinancing plan, the city's debentures held in sinking fund will be cancelled.

Between the end of 1936 and 1947, about $14.7 millions of debentures mature. Because of sinking fund arrears and other factors, it is expected that the city will not be able to meet $3.5 millions of these maturities without refunding. After 1947 debenture maturities are substantially smaller in amount.

Windsor Hotel Studies Debts

From Our Own Correspondent

MONTREAL. — Windsor Hotel Co., Montreal, which has defaulted interest payments on its bonded debt, is working on a plan of capital reorganization. The scheme is still in the formative stage, but it is understood that particulars will be available before long. At present the company has outstanding over $2 millions of first mortgage bonds and $1 million of 6% refunding mortgage bonds. Interest payments on the former were deferred on July 1, 1935, and on June 1, 1935, for the latter.

HEADS GAS BODY

Edward J. Tucker, general manager and secretary of the Consumers' Gas Co., Toronto, who has been elected president of the Canadian Gas Association for 1937-38. Mr. Tucker's election to the office means that the next annual meeting of the Gas Association will be held at Toronto.

United Fuel Financing Profits Data Revealed At Byrnes Tax Probe

Evidence Shows $750,000 Margin Between Amount Paid For Shares of Hamilton Companies and United Fuel Stock Issue

Investigation of the estate of the late P. V. Byrnes, Hamilton, Ont., discloses hitherto unpublished data on the financing of securities of United Fuel Investments Ltd., Hamilton By-Product Coke Ovens Ltd. and United Gas & Fuel Co. of Hamilton.

The investigation is being held with Judge Duncan Ross as commissioner at the instigation of the Ontario treasury, which claims that shares in the Byrnes estate were undervalued in the statement for succession duty purposes. Evidence has been taken at public hearings for nearly two weeks.

According to John G. McMillan, Ontario treasury auditor, the inventory of the Byrnes estate filed with the succession duties branch after his death in Jan., 1928, showed holdings of 3,540 shares of Hamilton By-Products Coke Ovens, and the company's share register showed 3,730 shares held by Mr. Byrnes. There is thus a claim by the treasury of a discrepancy of 190 shares.

There were also 5,406 shares of United Gas & Fuel stock in the estate, according to the testimony.

Discrepancy in Values

Mr. McMillan stated that the Hamilton By-Product stock was valued at $100 a share in the return to the succession duties branch and that the United Gas & Fuel shares were valued at $85 each. Two months after Mr. Byrnes died, he claimed, 3.730 shares of Hamilton By-Product stock and 5,406 United Gas & Fuel shares were sold at $500 a share, and. 5,406 United Gas & Fuel shares at $162½ each. The sale of stock by the Byrnes estate was part of the transaction by which Dominion Securities Corp. acquired the enterprises for a total of $8¼ millions.

According to Mr. McMillan's testimony, the discrepancy in values for the blocks of stock in the Byrnes estate was as follows:

Alleged Values Stated to Succession Duties Branch

Shares	Company	Price $	Amount $
3,540	Ham. By-Product	100	354,000
5,406	United Gas & Fuel ..	85	459,510
	Total		813,510

Values Claimed by Succession Duties Branch on Basis of 1928 Sales

Shares	Company	Price $	Amount $
3,730	Ham. By-Product	500	1,865,000
5,406	United Gas & Fuel ..	162½	878,475
	Total		2,743,475
	Alleged discrepancy		1,929,965

The treasury auditor also stated that earnings of the companies as shown in the succession duties return were lower than those in statements to purchasers of the stock.

White's Testimony

Arthur F. White, president of Dominion Securities Corp., which bought the stock in Hamilton By-Products and United Gas & Fuel, from the Byrnes estate and other owners, was called as a witness. Asked for his opinion on the value of the stock in Jan., 1928, as compared with the value of $500 and $162½ a share two months later, he stated: "My best answer is that we paid that price."

Mr. White explained that after the shares of Hamilton By-Product and United Gas & Fuel shares were bought United Fuel Investments was formed and issued $9 millions in preferred stock. The United Fuel preferred shares, he said, enjoyed an excellent market for two years until competition was felt from Dominion Natural Gas Co,.

According to the testimony of Ontario treasury officials that $8¼ millions was paid for the shares of the two Hamilton companies, and the testimony of Mr. White that $9 millions of United Fuel preferred stock was issued, it appears that there was a profit of $750,000 in the financing of United Fuel preferred stock for sale to investors, without allowing value for common shares of United Fuel.

Dominion Securities Corp. was not the only firm seeking to acquire the Hamilton By-Product and United Gas & Fuel firms, according to the testimony of John T. Byrnes, son of P. V. Byrnes. Drury & Co., McDougall & Cowans, Royal Securities Corp. and Wood, Gundy & Co. also made approaches.

Worth More to Buyer

Gordon Fraser, K.C., counsel for the Ontario treasury, questioned John T. Byrnes on whether "in the name of common honesty" the value placed on the Hamilton By-Product stock and United Gas & Fuel shares was an honest one. Witness replied that it was, and that the shares were apparently worth more to other people than to the Byrnes family after his father's death. "And those who bought them in lived to regret it," interjected W. N. Tilley, K.C., counsel for the Byrnes estate.

Mr. Byrnes disclosed in his testimony that Victor A. Sinclair, former chairman of the Ontario Workmen's Compensation Board, had received $22,500 from the estate for services in connection with affairs of the late P. V. Byrnes. Mr. Sinclair was connected, at the enquiry, with the values of $100 and $85 a share placed respectively on stock of Hamilton By-Product Coke Ovens and of United Gas & Fuel. It was stated that the last previous sale of United Gas & Fuel stock was at $85 a share, the highest price paid privately. And there had been no sale of shares in Hamilton By-Products.

Calculating Stock Valued

Arthur D. Cobban, a vice-president of Wood, Gundy & Co., was called as a witness to testify in connection with valuations of unlisted stocks.

As to values in 1928, he commented: "I would say these shares, unlisted, would be worth 12, 13 or 14 times the amount of their earning power in the previous year." He pointed out that the shares would not be worth as much as stocks listed on the exchanges. Stating that in 1925 and 1926 the shares would have commanded a price of 15 to 18 times their earnings of the previous year, Mr. Cobban remarked that in Jan., 1928, stock prices were jumping around "like a chicken on a red hot stove."

Britain Stirs Surprise By Supporting League

Special Cable to The Financial Post
From Our Own Correspondent

LONDON.—The surprise event of the week at the Imperial Conference was the support for the League of Nations offered by the British Government.

Realistic observers of British foreign policy do not put too much reliance in the apparent change in the British position and do not regard it as of fundamental importance. The British support is at best passive and can easily be overrated.

The feeling persists in well-informed circles that the League of Nations was written down last September, and that the old view of the League as an agency of collective security, enforcing peace through a system of military and economic sanctions, is completely washed up.

League vs. Power Politics

In the not distant future it is almost certain that the covenant of the League of Nations will be separated from the Treaty of Versailles. This will lift the lid off Europe's political struggles. But outside of the strong pro-League group in Britain, there is a disposition to feel that there will be as great assurance of peace under a system of power politics as under a League that looked fine on paper but was ineffective in checking an aggressor.

Canada's strong stand against sanctions has not been modified in any respect as a result of conversations at the Imperial Conference.

The conference has vaguely approved the idea of a Pacific security pact. But it is recognized that such a pact is impracticable at the present time. Prime Minister Lyons of Australia insistently demanded Conference approval of such a pact. The conference has met him in words that mean but little but that will be of substantial face-saving value to him at home.

Mr. Lyons is facing an election on his return to Canberra. A major election issue is security for Australia against possible aggression from Japan or any other country. Conference has thrown Mr. Lyons a political life belt, but the Canadian delegation does not take the act seriously and it may be regarded as imposing no serious commitments upon Canada.

Canadian Tobacco Crop Decreases in Volume

Production of commercial tobacco in Canada last year is finally estimated at 44.5 million pounds, from an acreage of 54,549. This compares with 54.5 million from a much smaller acreage in the previous year. The decline, of course, was due to the very intensive drought in western Ontario where the bulk of this crop is produced. Values were generally higher especially for the important flue-cured variety. At the farm they averaged, with 1935 figures in brackets: Burley, 11.7 (12.1); cigar leaf, 11.6 (10.8); dark, 8.4 (8.0); flue-cured, 28.7 (24.5); large pipe, 6.0 (9.5); small pipe, 11.0 (15.5).

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 30th June, 1937, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the 2nd day of July, 1937, to shareholders of record of the 19th June, 1937.

By Order of the Board.
ROBERT RAE,
General Manager.
Toronto, 13th May, 1937.

SUPERTEST Petroleum Corporation Limited

NOTICE OF DIVIDENDS
"B" Preferred

A half-yearly dividend at the rate of 6% per annum on the Class "B" Preferred Stock of this Corporation for the half-year ending June 30, 1937, has been declared; payable July 2nd, 1937, to shareholders on record at the close of business June 18, 1937.

Common and Ordinary

The Board of Directors has declared a half-yearly dividend of 50c per share and an extra dividend of 25c per share on the Common and Ordinary stock of this Corporation for the half-year ending June 30, 1937, payable July 2, 1937, to shareholders on record at the close of business June 18, 1937.

Share Warrants

Share Warrant holders will present coupons, serial number 35, to the Canadian Bank of Commerce, London, Ontario, and branches in Ontario and Quebec, on and after July 2, 1937, where payment will be made at par.

By Order of the Board:
JAMES D. GOOD,
Secretary-Treasurer.
London, Ontario, June 7, 1937.

Notice to The Holders of First (Closed) Mortgage Sinking Fund 6% Gold Bonds, Due April 1, 1948, of Dominion Square Corporation

NOTICE IS HEREBY GIVEN that the undersigned, Dominion Square Corporation, on the 2nd day of July, 1937, will make payment of the instalment of interest which became payable on the 1st day of October, 1934, in respect of the above mentioned Bonds.

Such payment will be made at the option of the respective holders, in lawful money of Canada, at the principal office of the Bank of Montreal, in the cities of Montreal, Toronto, Halifax, Quebec, Ottawa, Winnipeg, Regina, Edmonton, or Vancouver, or in lawful money of the United States of America at the head office of the National City Bank of New York, in the City of New York, U.S.A., upon presentation and surrender of the coupons representing the interest payable on the said 1st day of October, 1934.

MONTREAL, June 3rd, 1937.
DOMINION SQUARE CORPORATION
J. S. McFarland,
Secretary.

DIVIDEND NOTICES

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1937.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 2nd day of August to Shareholders of record of the 21st day of July, 1937.

On the Common Stock, seventy-five cents (75c.) per share, payable on the 16th day of August to Shareholders of record of the 5th day of August, 1937.

By Order of the Board.
Montreal, C. B. ROBINSON,
June 14, 1937. Secretary-Treasurer.

The Wabasso Cotton Company Limited

Notice of Dividend

A dividend of Twenty-five cents per share and an extra distribution of Fifteen cents per share has been declared on the Capital Stock of the Wabasso Cotton Company Limited, payable 2nd July, 1937, to stockholders of record at the close of business on 19th June, 1937.

By order of the Board.
H. W. CAPEL,
Secretary-Treasurer.
Three Rivers, Que.,
10th June, 1937.

The Toronto Mortgage Company

Quarterly Dividend

NOTICE IS HEREBY GIVEN that a dividend of $1.50 per Share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

2nd July, 1937,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE,
3rd June, 1937. Manager.

DIVIDEND NOTICES

Montreal Tramways Company

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of TWO DOLLARS AND TWENTY-FIVE CENTS ($2.25) per share, for the quarter ending June 30th, 1937, has been declared upon the paid in Capital Stock of the Company, to Shareholders of record on Monday, the 5th day of July, 1937, at 4 o'clock p.m. and payable on Thursday, the 15th day of July, 1937.

By order of the Board.
PATRICK DUBEE,
Secretary-Treasurer.
Monday, June 14th, 1937.

NOTICE OF DIVIDEND

Sheep Creek Gold Mines Limited

(Non-Personal Liability)

Notice is hereby given that a Quarterly Dividend of two cents per share and an Extra Dividend of one cent per share for the financial year ended 31st May, 1937, have been declared on the paid-up Capital Stock of the Company, payable on the 15th day of July, 1937, to shareholders of record at the close of business on the 30th day of June, 1937.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company, Limited, at their office, 614 Pender Street W., Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, on or before 30th June next.

By Order of the Board.
JAMES ANDERSON,
Secretary.
Vancouver, B.C.
June 10th, 1937.

DIVIDEND NOTICES

Canadian Wirebound Boxes Limited

Dividend Notice

The Directors of the Company have declared a dividend on account of arrears of $1.37½ per share on the class "A" shares of the Company, payable July 2nd, 1937, to shareholders of record at the close of business, June 15th, 1937.

By order of the Board,
J. P. BERNEY,
Secretary.

Howey Gold Mines, Limited

(No Personal Liability)

DIVIDEND NUMBER 8

Notice is hereby given that a dividend of Two Cents (2c) per share upon the shares of the Company outstanding and issued has been declared payable August 2nd, 1937, in favor of shareholders of record at the close of business on the 26th day of June, 1937.

H. C. McCLOSKEY,
Secretary-Treasurer.
Toronto, June 15th, 1937.

CANADIAN GENERAL INVESTMENTS LIMITED

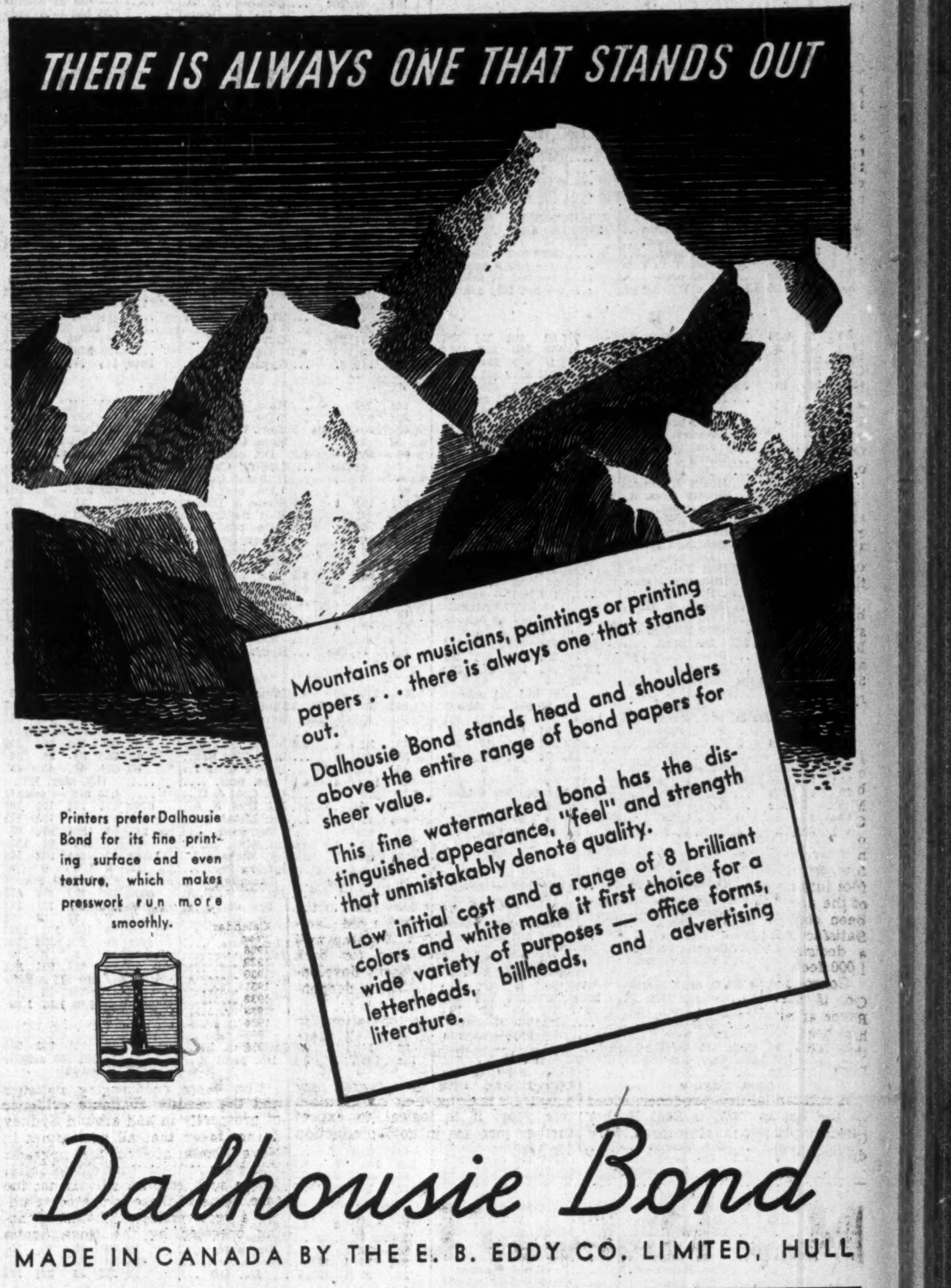
Dividend Notice

NOTICE is hereby given that a dividend of Twelve and one-half cents (12½c) per share on the paid-up capital stock of the Company has been declared to shareholders of record June 30th, 1937, payable July 15th, 1937.

SHARE WARRANT holders will present Coupon No. 36 at the Main Office of the Bank of Montreal in Victoria, Vancouver, Calgary, Edmonton, Winnipeg, Montreal, Halifax, St. John, or at the King and Yonge Streets Branch, Toronto, where payment will be made at par.

By order of the Board.
E. M. STRAIN,
Secretary.
320 Bay St., Toronto.

CANADA'S FAVOURITE
Pandora
REGISTERED
CIGARS
PANETELA 10c.



THERE IS ALWAYS ONE THAT STANDS OUT

Mountains or musicians, paintings or printing papers . . . there is always one that stands out.

Dalhousie Bond stands head and shoulders above the entire range of bond papers for sheer value.

This fine watermarked bond has the distinguished appearance, "feel" and strength that unmistakably denote quality.

Low initial cost and a range of 8 brilliant colors and white make it first choice for a wide variety of purposes — office forms, letterheads, billheads, and advertising literature.

Printers prefer Dalhousie Bond for its fine printing surface and even texture, which makes presswork run more smoothly.

Dalhousie Bond
MADE IN CANADA BY THE E. B. EDDY CO. LIMITED, HULL

Both Sides of the Question

THE considerable public interest now existing with regard to the problems of temperance, prompts the Brewing Industry to state its side of the question.

Providing as it does a living for thousands, this Industry claims confidently in Ontario the same respect that it is accorded throughout the British Empire; for its sense of public responsibility is the same!

Consider the facts. Moderation and true temperance are causes which the Brewing Industry in its own interest *must* support.

For moderation means respect for law and order. It means a decrease in secret drinking—a reduction of drunkenness. It means a chance for the ordinary decent citizen to exercise self-control.

In fact at every point it means the very opposite of excess—the very opposite of prohibition.

For prohibition whether general or limited, does *not* mean temperance. Surely that fact, at least, has been abundantly proved.

Rather it means the return of the bootlegger. It means the growth of rackets. It means making illegal drinking the "smart" thing to do, with the result that drunkenness becomes a distinction instead of a disgrace.

No thinking person can possibly want the return of these evils—yet that is what propaganda against our Industry *seeks* to achieve!

● *This advertisement is inserted by the Brewing Industry in the interest of a better public understanding of certain aspects of the problems of temperance and local option.*

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JUNE 14

Range 1937 High	Low	Div Jne12 R'te $	Y'ld %		Sales	Last June 7	Week end. June 14 H	L	Cl'se
				A					
15½	5¾	.	...	Abitibi	4159	7½	7½	6¼	6¾
80	41¼	.	...	Do. pref. 6%	1934	63¼	64½	59½	60
97	60	.	...	Do. pref. 7%	....	(— bid — asked)			
79½	41	.	...	Do. cert. dep.	40	62½	62½	62½	62½
6⅞	4½	10c	...	Acadia Sugar	....	(3½ bid 4½ asked)			
18½	9½	50c	5.3	Acme Glove	....	(— bid 12½ asked)			
94	75	6.50	8.7	Do. pref.	....	(— bid 90 asked)			
12	8½	40c	4.1	Agnew Surp.	....	(9⅞ bid 10 asked)			
110	105	7	6.5	Do. pref.	....	(107 bid 110 asked)			
7	4½	.	...	Alta. Pac. Gr.	140	4⅞	5	4⅞	5
43½	25	.	...	Do. pref.	510	28	28	25	25
135	114	.	...	Aluminum	....	(98⅞ bid 102 asked)			
130	130	6+3.75▲	.	Do. pref.	....	(130 Mar. 19)			
7	5	.	...	Amal. Electric	....	(— bid 5 asked)			
31	26	.	...	Do. pref.	....	(26 bid — asked)			
35⅞	29⅞	15c	...	Amer. Cyn. B.	200	31⅞	31	31	31
122½	80	.	...	Asbestos	1458	85½	87	81	84
3.20	.75	.	...	Do. Rights	20833	1.20	1.40	.75	1.05
16	11	80c	...	Assoc. Brew.	326	14	14⅞	14⅞	14⅞
110½	106	7	...	Do. pref.	....	(109⅞ bid — asked)			
6½	6½	.	...	Assoc. T. & T.A.	....	(— bid 8 asked)			
57	51	42c	...	Do. pref.	....	(— bid 51 asked)			
102½	100	5.50	5.5	Ault & Wiborg pf.	....	(— bid 101½ asked)			
				B					
60	57	2.25	3.8	Bank of Canada	77	60	59½	58½	58½
160	143	8	5	Bk. Can. Nat.	82	159	160	159	160
245	219	8	3.3	Bk. Montreal	140	237	239	234	236
340	305	12	3.6	Bk. N. Scotia	139	326½	331½	322	322
273	246	10	3.9	Bk. Toronto	3	257	255	255	255
8	6	.	...	Barcelona	....	(5 bid 7½ asked)			
15	10½	8c	...	Barker's Bread	35	15	15	14	14
48	43½	5	...	Do. pref.	25	48	43½	43½	43½
24⅞	17	.	...	Bathurst Pr.	1770	19	19½	18	18½
12½	6⅞	.	...	Do. (B)	54	9	9	8½	8½
5⅞	3	.	...	Bawlf Grain	75	3	3½	3½	3½
38	25	.	...	Do. pref.	195	27	28	25	25
10	4⅞	.	...	Beath & Sons	25	4⅞	4⅞	4⅞	4⅞
21½	14⅞	.	...	Beatty Bros. A.	40	17½	17	17	17
112	100	6	5.4	Do. pref.	....	(104 bid 112 asked)			
105	102	7	6.7	Do. 2nd pref.	....	102½ bid 108 asked			
10	5	.	...	Beauharnois	988	6	6⅞	6	6⅞
107	100	4	4	Belding Cort.	....	(— bid 105 asked)			
130	126	7	5.4	Do. pref.	....	(130 bid — asked)			
178	154	8	4.8	Bell Telephone	1496	167½	167½	165	166
16⅞	10½	2+50c	..	Biltmore Hats	10	12	12	12	12
110	109½	7	6.4	Do. pref.	....	(110 bid — asked)			
13	8½	.	...	Bissell, T. E.	....	(7 bid 15 asked)			
65	45	.	...	Do. pref.	....	(60 bid 69 asked)			
6⅞	4	.	...	Blue Ribbon	....	(4 bid 6 asked)			
40	35	2	5.3	Do. pref.	55	37½	37½	37	37½
29⅞	24⅞	1.30	...	Brant. Cord. pf.	25	25½	25½	25½	25½
30½	18½	90c	...	Brazilian Tr.	13679	24½	25½	23½	23⅞
9½	6	1.40+10c	.	Brew. & Distil	93	8	7½	6½	7½
6½	6	30c	...	Bright, T. G.	....	(6½ bid 11½ asked)			
†82	75½	6	...	Do. pref.	....	(74 bid — asked)			
26½	21⅞	1+20c	5.1	Brit. Amer. Oil	4344	23	23⅞	22⅞	23½
22	16	.	...	B. C. Packers	35	19½	19	18	18
39½	35	1.80	5	B. C. Power A.	253	36⅞	36½	36	36
11½	7½	.	...	Do. (B)	25	7⅞	8½	8	8
12	6	40c	6.7	Bruck S. Mills	60	6	6	6	6
74½	56½	1.40+50c	.	Building Prod.	120	60	63	61	61⅞
18	15	70c	...	Burlington Steel	....	(15 bid 16½ asked)			
8	5	25c	...	Burry Biscuit	300	6	5½	5½	5½
60	50	3	6	Do. pref.	15	50	50	50	50
44½	39½	2	5	Burt, F. N.	25	42	42	40	40
				C					
105	100	.	...	Calgary Power	....	(100 bid — asked)			
92	79	6	6.7	Do. pref.	....	(89 bid — asked)			
10½	6½	.	...	Canada Bread	135	7	7½	7	7½
103½	99½	5	4.9	Do. pref.	....	100⅞ bid 103 asked			
59½	50	2.50+12½c▲	.	Do. pref. B	....	(53 bid 55 asked)			
10½	8½	.	...	Canada Bud	460	8½	8⅞	8½	8½
23	15½	.	...	Canada Cement	1358	16⅞	17⅞	16	16½
111	100	2	...	Do. pref.	185	103	103½	101	103
73½	60	1.50+1	3.6	C. & D. Sugar	100	70	71	70	71
b38½	25½	.	...	Canada Dry	23800	28⅞	30⅞	27⅞	28
20⅞	16	.	...	Can. Forg. (A)	5	17½	18	18	18
18	14	.	...	Do. (B)	....	(16½ bid 18 asked)			
31	30	.	...	Can. Iron	....	(34 bid — asked)			
72	66½	5	7.2	Do. pref.	....	(74 bid — asked)			
39	34	1.50+50	5	Can. Malting	97	37⅞	38	37½	37⅞
29½	20	1.20	5.6	Can. Nor. Pr.	210	22	21½	20	21
112	108	7	6.3	Do. pref.	23	110	110½	109	109⅞
98	84	3	3.6	Can. Packers	50	85	84	84	84
†118	105	.	...	Can. Paper, pf.	....	(112½ bid — asked)			
7	1⅞	.	...	Can. Paving, pf.	....	(2½ bid 2⅞ asked)			
160	146	8	5.1	Can. Perman.	34	154	157	155	155
25	25	6	...	Can. Starch	....	(30 bid — asked)			
105	105	7	6.7	Do. pref.	....	(105 bid — asked)			
4	2½	.	...	Can. Steamsh's	50	2½	2½	2½	2½
7	4	.	...	Do. new	10	4	4½	4½	4½
10	4⅞	.	...	Do. pref.	225	5	5½	5	5
18½	14½	.	...	Do. pref. new	....	(14 bid 15 asked)			
21	17	1.20	6.6	Can. Vinegars	182	18	18	17½	18
75	50	.	...	Can. W. Cable	1	60	60	60	60
31	19	.	...	Do. (B)	185	27	28	28	28
118	114	2▲	...	Do. pref.	....	(— bid 121 asked)			
6½	4	.	...	Can. Bakeries	....	(4 bid 8 asked)			
73	58	.	...	Do. pref.	....	(47 bid 57 asked)			
211	183	8	4.1	Can. Bk. Com.	43	198½	196	195	195
4	2⅞	.	...	Can. Breweries	630	2⅞	3	2⅞	2⅞
21½	14½	1.50	7.9	Do. pref.	310	18½	19	18⅞	18⅞
61½	46⅞	1.50+75c	.	Can. Bronze	65	49	49	48	48
110	104	5	4.6	Do. pref.	....	(108 bid — asked)			
9½	7½	.	...	Can. Canners	50	8½	8½	8½	8½
20½	18½	1	5	Do. 1st pfd.	25	20	20	20	20
12½	10	15c	...	Do. 2nd pfd.	1019	11½	11⅞	11⅞	11⅞
21⅞	13½	.	...	Can. Car. & F'y	1345	17½	17	15⅞	15⅞
32	23	.	...	Do. pref.	596	28	27½	26	26½
31	24	1.60	6.6	Can. Celanese	245	24⅞	24⅞	24	24½
126	120	7	5.8	Do. pref.	20	121½	120	120	120
22	21	.	...	Do. rights	27	21	21	21	21
32	27	2	7	Can. Convert.	10	27	28½	28½	28½
80	65½	4	5	Can. Cottons	....	(82 bid — asked)			
108	105	6	5.6	Do. pref.	3	108	108	108	108
47	38	2+1	6.6	Can. Dredge	155	45	45⅞	44⅞	44⅞
101	101	6	5.9	Can. Fairb. p.	....	(101½ bid — asked)			
33	23	1.60+40c		Can. For. Inv.	25	25	26	26	26
107	105	8	7.6	Do. pref.	....	(105 bid — asked)			
240	207	6	2.9	Can. Gen. Elec.	....	203½ bid 207 asked			
12	9½	50c	...	Can. G. Inv.	....	(10½ bid — asked)			
84	71	.	...	Can. Hyd. E./p.	766	81	84	80	80
8½	4½	.	...	Can. Ind. Alc.	6420	5½	6½	5½	5⅞
7⅞	4½	.	...	Do. (B)	639	4⅞	5½	4⅞	5
249	235	3.50	...	Can. Indust. B.	....	(239 bid 240 asked)			
160	153	7	...	Do. pref.	....	(160 Apr. 13)			
5	2	.	...	Can. Int. I. Tr.	90	3	3	3	3
99	93	3.75	...	Do. pref.	....	(— bid 97 asked)			
21	18	1	5	Can. Lt. & Pr.	44	20	18	18	18
23½	12	.	...	Can. Locomo.	20	14½	16	14	14
3⅞	1½	.	...	Can. Marconi	2085	1⅞	1⅞	1⅞	1⅞
19	11	50c	4.2	Can. Oil	35	12½	12	12	12
135	115	8	6.9	Do. pref.	6	118	118	115	118
17½	12	.	...	Can. Pacific	7714	13½	13½	12⅞	12⅞
7½	3	.	...	C. Pr. & Pa. In.	85	3	3	3	3
27½	18	.	...	Do. pref.	100	19	19	19	19
16	7½	.	...	Can. Vickers	115	9	9	9	9
65	41	.	...	Do. pref.	....	(41 bid 45 asked)			
25	25	1	...	C. Wallpaper, A	....	(— bid 25 asked)			
27½	24	1	...	Do. (B)	....	(— bid 24½ asked)			
66	66	2	3	Can. West'ho'se	....	(— bid 67 asked)			
4	1½	.	...	Can. Wineries	130	2	1⅞	1⅞	1⅞
25	22	2.12½	...	Can. Wire Box.	440	23	24	23½	24
9½	7½	.	...	Capital Estates	190	7½	7⅞	7½	7½
107	100	5	4.8	Carnation, pfd.	350	100	103	102	103
11½	6⅞	25c	...	Catelli Food	15	8½	8	8	8
11½	10	38c	...	Do. pref.	60	11	10	10	10
3	1½	.	...	Celtic Knit.	....	(1½ bid 5 asked)			
†165	150	8	...	Cent. Can. L'n.	....	160½ bid 195 asked			
1.44	.75	.	...	Chem. Research	600	.85	.85	.75	.75
2.50	.70	.	...	City Gas & El.	445	.80	.75	.70	.70
.80	.35	.	...	Claude Neon	600	.40	.40	.35	.35
14½	12½	1.08	8.1	Coast Brew.	120	13½	13½	13½	13½
22½	14½	.	...	Cockshutt Plow	1295	17⅞	18⅞	17⅞	18½
4	1⅞	.	...	Comm. Alcohol.	750	2	2½	2	2½
4⅞	3½	.	...	Do. pref.	....	(3½ bid 4½ asked)			
23	20	$1+20c	..	Cons. Bakeries	345	20⅞	21	20½	20½
24½	10⅞	.	...	Cons. Paper	6927	18⅞	18½	16⅞	17½
22	12½	25c	...	Cons. Press	....	(21½ bid 22 asked)			
60	47	.	...	Cons. Sand, pf.	....	(47 bid 65 asked)			
100½	72	1+1	..	Cons. Smelters	2580	80	80½	75	75½
211	201	10	4.9	Consumers' Gas	89	204⅞	204⅞	204	204½
95½	89	7	7.4	Corr. P. Box, p.	....	(92 bid 95 asked)			
27½	22	1	4.2	Cosmos Imp.	25	22	24½	24	24
105½	103½	5	4.8	Do. pref.	5	105	103½	103½	103½
22	18	80c	4.1	Crown Cork	10	19½	19½	19½	19½
2½	1½	.	...	Crown Dom. Oil	....	(2 bid 2½ asked)			
50	40	3	...	Crow's N. Coal.	110	40	46	45	46
				D					
5⅞	4	.	...	David & Fre. A	....	(3⅞ bid — asked)			
†1½	½	.	...	Do. (B)	....	(— bid 1 asked)			
22½	15	.	...	De Havilland	450	18	20	18	18½
82	67	.	...	Do. pref.	....	(65 bid 80 asked)			
10	5	.	...	Disher Steel	....	(5 bid 9 asked)			
18⅞	15½	.	...	Do. pref.	....	(11 bid 16½ asked)			
29	20	.	...	Distill.-Seagram	2795	21½	23½	21	21⅞
94½	92½	5	5.4	Do. pref.	....	(— bid 99½ asked)			
..	..	.	...	Dom. Ang. Inv.	....	(90 bid — asked)			
95	95	5+1.25▲	.	Do. pref.	....	(90 bid — asked)			
250	223	10	4.4	Dom. Bank	314	230	230	223	223
58½	47	1.20	2.4	Dom. Bridge	306	48½	49⅞	48	49
24	19	1.50	7.2	Dom. Coal, pf.	525	20½	21	20½	20½
73	59	.	...	Dom. Engineer	....	(60 bid 64 asked)			
37½	29	.	...	Dom. Foundries	175	37½	36½	35	35
99	99	6	6.1	Do. pref.	....	(— bid — asked)			
118	110	5	4.5	Dom. Glass	30	112	112	110	110
153	140	7	5	Do. pref.	....	(140 bid 145 asked)			
.10	.10	.	...	Dom. Motors	....	(— bid .10 asked)			
43½	40	.	...	Dom. Oilcloth	....	(39 bid — asked)			
105	105	7	6.7	Dom. Rubber, p.	....	(99 bid — asked)			
5	4	.	...	Dom. Scot. Inv.	....	(— bid 3⅞ asked)			
44	38	2	...	Do. pref.	45	39	39	38	39
28⅞	12½	.	...	Dom. St. & C.B.	3959	19	19	17⅞	18
12⅞	9½	.	...	Dom. Stores	755	9⅞	9⅞	9½	9⅞
18½	12⅞	.	...	Dom. Tar & Ch.	510	13½	14	13½	13½
117	107	.	...	Do. pref.	30	110	108	108	108
85	73	5	6.3	Dom. Textile	72	80	80	79½	79½
149	142	7	4.9	Do. pref.	....	(143½ bid — asked)			
19½	13½	.	...	Donnacona P.A.	3072	16½	17	15½	16
19	13½	.	...	Do. (B)	1945	16½	17	15⅞	16
20	13½	.	...	Dryden Paper	235	18	18	16	16
				E					
7	2	.	...	East. Koot. Pr.	....	(2 bid — asked)			
36	12	.	...	Do. pref.	25	12	13	13	13
5	2½	.	...	East. Dairies	....	(2½ bid 2½ asked)			
30	10	.	...	Do. pref.	116	10	14½	14	14
24	18½	.	...	East. Steel	25	18½	18½	18½	18½
110	106	7	6.4	Do. pref.	....	106⅞ bid 112 asked			
60	60	7	11.7	East. Theat. pf.	....	(60 bid 84 asked)			
9½	4⅞	.	...	Easy Washing	220	6	5½	5	5½
39	34	1.37½	...	Economic Inv.	....	(35 bid 39 asked)			
24	17½	1.60+10c	.	Electrolux	605	18⅞	18½	17½	17⅞
8½	4½	.	...	Enam. & Heat.	200	4⅞	5	5	5
37	30	.	...	English Electric	20	33	31½	31½	31⅞
16⅞	10	.	...	Do. (B)	25	10	10	10	10
7	5½	.	...	Equitable Life	....	(5⅞ bid 6 asked)			
10½	9½	30c	...	European El. A.	....	(— bid 9½ asked)			
.65	.65	.	...	Do. Warrants	....	(.35 bid — asked)			
				F					
13	8½	.	...	Fairchild Air	645	9½	9⅞	8½	8½
35	24	.	...	Fam. Players	....	(22 bid — asked)			
.34	25	.	...	Do. Vot. Tr.	....	(25 bid 30 asked)			
24½	19	25c	...	Fanny Farmer	1070	20⅞	21	20⅞	20⅞
29⅞	21⅞	1	4.4	Ford Motors A	3067	23	23½	21⅞	22
2½	1	.	...	For. Pr. Secs.	13	1	1½	1	1½
31	23	.	...	Foundation Co.	220	27½	27	25	25
50	29	.	...	Fraser Cos.	103	46	46	43½	43½
50	29½	.	...	Do. Vot. Tr.	1820	46½	46½	43	44
52	45	.	...	Freiman, pf.	12	48	47	47	47
11	6	.	...	Frost Steel	....	(6 bid 7 asked)			
107	100½	7	6.9	Do. pref.	....	(101 bid — asked)			
48	40	.	...	Do. pref. A	....	(45½ bid — asked)			
				G					
18½	8	.	...	Gen. St. Wares	845	13½	13½	12	12½
110	76	.	...	Do. pref.	42	99	98	98	98
92½	82	2.50+2.50		Goodyear Tire	20	85	90	90	90
57	53	2.50	4.6	Do. pref.	61	54	55	53½	55
26⅞	13½	.	...	Gt. Lakes Pap.	161	21	20	19⅞	19⅞
51	33	.	...	Do. pref.	726	44½	44½	41	41
3½	1½	.	...	Gt. W. Saddlery	....	(1½ bid 2½ asked)			
40	29½	.	...	Do. pref.	....	(30 bid 37½ asked)			
15½	7½	20c	...	Gurd, Chas.	15	10½	9½	9½	9½
105	95	7	6.7	Do. pref.	....	(100 bid — asked)			
18½	11½	.	...	Gypsum, Lime	2940	14½	14½	11½	12½
				H					
18½	12⅞	.	...	Ham. Bridge	77	13½	14½	13½	13½
90⅞	63	.	...	Do. pref.	....	(— bid 80 asked)			
40½	30	2+50▲	5	Ham. Cot., pf.	....	(31½ bid 38 asked)			
3⅞	2	.	...	Ham. U. Theat.	....	(1⅞ bid 2 asked)			
69	58⅞	5	8.3	Do. pref.	....	(60 bid 65 asked)			
7	4½	20c	...	Harding Carpet	1245	5½	5⅞	5½	5½
5	5	.	...	Hillcrest Coll.	....	(2½ bid — asked)			
25	15	.	...	Do. pref.	....	(20 bid — asked)			
22½	19⅞	1	4.9	Hinde & Dauch	105	21	21	20	20
18	14	.	...	Holt Renfrew	....	(14 bid — asked)			
74	56	.	...	Do. pref.	....	(— bid 74 asked)			
1.75	.50	.	...	Honey Dew	630	.75	.60	.50	.50
15	12	.	...	Do. pref.	....	(6 bid 14 asked)			
34½	18½	.	...	H. Smith Pap.	1040	29⅞	29½	28	28½
105	99½	6	5.8	Do. pref.	130	102½	103	102½	103
32⅞	28	2	6.7	Humberstone S	25	30	28	28	28
19	11⅞	.	...	Hunts (A)	....	(13½ bid 15 asked)			
18	12	.	...	Do. (B)	....	(13½ bid 16 asked)			
95	72	5	5.3	Huron & E. Mt.	22	95	94	92	94
15½	11	.	...	Do. 20% pd.	....	(12⅞ bid 14 asked)			
13½	8½	20c	...	Hydro Electric	....	(8½ bid 9½ asked)			
				I					
251½	223	10	4.4	Imperial Bank	76	230	226	224	225
24⅞	20	50+75c	5.9	Imperial Oil	8409	21½	21⅞	20⅞	20⅞
15½	13⅞	40+22½c		Imperial Tob.	1225	14⅞	14½	14½	14½
7⅞	7	6%	...	Do. pref.	....	(7 bid — asked)			
38⅞	33	1	2.8	Indust. Accept.	85	35	35½	35½	35½
39½	34	2	...	Inter-City Bak.	30	38	34	34	34
46	37½	5+2	...	Inter'c Coal	60	37½	46	45	45
130	130	8	6.2	Do. pref.	....	(130 Mar. 10)			
†.20	.20	.	...	Int. Coal & C.	....	(.10 bid — asked)			
b16⅞	8½	.	...	Int. Hyd. E. A.	6700	11½	12½	10½	10⅞
18½	11	.	...	Int. Metal Ind.	350	13	13	12½	12½
108	90½	.	...	Do. pref.	281	98	98½	97½	98
105	98	5	4.9	Int. Mill., pf.	69	101	102	98	102
73½	54	2	3.5	Int. Nickel	14949	60	60½	56⅞	57½
11	6	.	...	Int. Paints	10	6	6	6	6
20	18	75c	...	Do. pref.	....	(18 bid 19 asked)			
b24⅞	16½	.	...	Int. Pa. & P. A.	6000	19	19⅞	17⅞	17⅞
b18	10½	.	...	Do. (B)	3100	13⅞	14⅞	12	12½
b9½	5½	.	...	Do. (C)	7400	7	7½	6⅞	6½
b121⅞	90½	.	...	Do. pref.	13800	104	108	103	103½
39⅞	33½	1.50+1	7.3	Int. Pete.	6772	35	35½	33⅞	33⅞
12½	5	.	...	Int. Power	5	7	6	6	6
98	88½	6	6.7	Do. pref.	20	90	89⅞	88½	88½
†15½	13	1.12	...	Int. St. Rly. A.	....	(— bid 14½ asked)			
21½	15⅞	.	...	Int. Util. (A)	355	17	16½	16	16
3.12	1.45	.	...	Do. (B)	655	1.45	1.60	1.45	1.50
				J					
38	34½	1.75	4.6	Jam. Pub. Ser.	75	38	37½	37½	37½
132	130	7	5.4	Do. pref.	....	(— bid 130 asked)			
				K					
39	27½	.	...	Kelvinator	25	31½	31	30	31
108	106½	7	6.6	Do. pref.	....	(105 bid — asked)			
				L					
43½	29½	.	...	Lake of Woods	260	32	31	30⅞	30⅞
156	143	7	4.7	Do. pref.	....	(145 bid 150 asked)			
75	55½	5	7.3	Landed Bank	....	(68⅞ bid 70 asked)			
22	15½	70c	3.7	Lang, J. A.	120	20	20	19	19
6	4½	.	...	Langley's	....	(— bid 5 asked)			
65	50	.	...	Do. pref.	....	(— bid 58 asked)			
77	68	3	4.3	Laura Secord	15	69	70	68	70
15	8	.	...	Lindsay, C. W.	....	(— bid 10 asked)			
78	70	.	...	Do. pref.	10	70	70	70	70
25⅞	23	1+12½c	...	Loblaw (A)	429	24	25	24	25
23	21	1+12½c	...	Do. (B)	12	22⅞	23	22½	22½
				M					
1.80	1.25	.	...	Mackenzie Air.	....	(— bid 1.25 asked)			
†10½	2⅞	.	...	MacKin. Steel	....	(— bid 9 asked)			
64	60	.	...	Do. pref.	....	(— bid 70 asked)			
37½	27	.	...	Maclaren Pr. p.	825	31½	31½	29½	29½
3	2	.	...	M. L. Gardens	....	(2 bid 4 asked)			
5	2½	.	...	Do. pref.	....	(2½ bid 4½ asked)			
11	6½	.	...	Maple Leaf	240	6½	7	6½	7
12⅞	5	.	...	Do. pref.	75	7½	7½	7	7
17	17	60+10c	..	Maritime Tele.	....	(16½ bid — asked)			
†15	15	70c	...	Do. pref.	....	(16 bid — asked)			
†18	13	.	...	Marcus Loew's	....	(— bid 20 asked)			
125	120	5.25▲	...	Do. pref.	1	120	120	120	120
16⅞	8½	.	...	Massey-Harris	4225	13½	14	12½	12½
74	52½	.	...	Do. pref.	1715	64½	69	65⅞	65⅞
15	8½	40c	4.2	McColl Fron.	2613	9½	9½	9⅞	9½
101	88	6	6.6	Do. pref.	180	90	91	90	90
8	2½	.	...	Melchers (A)	167	2⅞	2⅞	2½	2½
9½	6½	30c	...	Do. (B)	202	7½	7½	7½	7½
2	1½	.	...	Mercury Mills	....	(2 bid 10 asked)			
40	20	.	...	Do. pref.	135	30	33	32	33
50	49	2	...	Mitchell, J. S.	....	(50 bid — asked)			
†110	110	7	...	Do. pref.	....	(111 bid — asked)			
30	19	.	...	Mitchell, Robt.	180	22	22	21	21
5½	5	.	...	Monarch Knit.	....	(4½ bid 5 asked)			
86	67	7	10	Do. pref.	....	(64 bid 67 asked)			
48	36	50c	...	Montreal Cot.	....	(47½ bid — asked)			
110	105	7	6.7	Do. pref.	13	105	108	105	105
1½	1	.	...	Mont. Is. Pr.	....	(1½ bid 3 asked)			
37½	29	1.50	5	Mont. L. & Pr.	3896	29	30½	29½	30
31	28	2	6.4	Montreal Loan	....	(30 bid — asked)			
17	13	1	...	Mtl. Refrig., pf.	....	(16⅞ bid — asked)			
2	1⅞	.	...	Do. Vot. Tr.	....	(2 bid — asked)			
65	58	3.20	5.1	Montreal Tele.	45	62½	62	62	62
102	80	9	10.7	Montreal Trams	87	81	85	83	84
45	41⅞	1.60	3.7	Moore Corp.	185	43	43	41⅞	41⅞
190	180	7	3.7	Do. pref. (A)	17	190	190	185	185
267	252½	7	2.8	Do. pref. (B)	10	252½	253	253	253
1½	1	.	...	Muirheads	....	(⅞ bid ⅞ asked)			
5	5	.	...	Do. pref.	....	(5½ bid — asked)			
				N					
42½	37⅞	2	5	Nat. Breweries	2508	39	40	39	39⅞
43½	39	1.75	4.4	Do. pref.	615	42	40	40	40
11	8½	.	...	Nat. Grocers	520	9½	9½	9½	9½
140	135	7+3.50▲	.	Do. pref.	....	134½ bid 136 asked			
21½	19	.	...	N. Sew. Pipe A.	....	(18½ bid 19 asked)			
57½	39½	.	...	Nat. Steel Car	2470	51½	52½	48½	50
210	201	8	3.9	National Tr.	9	201½	205	205	205
54	40	2	4.5	Niag. W. Weav.	620	42	44	43	43
4	1	.	...	North Star Oil	....	(2½ bid 2½ asked)			
4⅞	3⅞	35c▲	...	Do. pref.	....	(4 bid 4½ asked)			
97½	96	5	5.2	N. S. L. & Pr.	....	(— bid 96 asked)			
105	97½	6	5.8	Do. pref.	....	(103½ bid — asked)			
37	9½	.	...	N. S. Steel, pf.	....	(— bid 20 asked)			
				O					
300	235	8	3.2	Ogilvie Flour	5	240	250	250	250
168	150	7	4.5	Do. pref.	5	160	155	155	155
112	106	5	4.6	Ontario Loan	....	106½ bid 109 asked			
7½	4⅞	.	...	Ont. Silknit	....	(— bid 7 asked)			
71	64	7	10.9	Do. pref.	....	(— bid 59½ asked)			
18⅞	15	.	...	Ont. Steel	....	(13 bid 17 asked)			
114	114	7+51▲	.	Do. pref.	....	(107 bid 115 asked)			
3½	2	.	...	Orange Crush	10	2	2	2	2
10	5½	.	...	Do. pref.	5	6	6	6	6
100	88	6	6.8	Ott. L. H. & Pr.	9	89	89	88	89
105	102	5	4.9	Do. pref.	10	102	102	102	102
23½	19½	2	8.5	Ott. Traction	....	(22 bid — asked)			
				P					
109½	98	2.75+25c	.	Page-Hersey	90	102	105	104	105
9⅞	5⅞	.	...	Pantepec Oil	....	(7½ bid 7½ asked)			
20	15	.	...	Paton Mfg.	....	(10 bid — asked)			
†110	100	7	...	Do. pref.	....	(110 Nov. 7, '36)			
63⅞	58	3	5	Penmans	20	60	61	60	60
130	127	6	4.7	Do. pref.	....	(— bid 125 asked)			
26½	21	1	4.3	Photo Eng.	110	23	23	23	23
102	96	7	7	Porto Rico Pr. p	5	100	100	100	100
33⅞	20	25c	...	Power Corp.	250	22½	22	20½	20½
108	100	6	6	Do. pref.	201	100	101½	100	100
3⅞	2½	.	...	Prairie C. Oil	....	(2½ bid 2⅞ asked)			
36	28	1	...	Pressed Metals	3	28	30	30	30
53	25	.	...	Price Bros.	3037	43½	44⅞	39½	41
79	64½	.	...	Do. pref.	225	69	69½	65½	65½
				Q					
25⅞	17	1	5.8	Quebec Power	190	18	17⅞	17	17½
4⅞	4	.	...	Que. Telephone	140	4½	4½	4½	4½
				R					
58	40	2	5	Real Estate L'n.	....	(— bid 90 asked)			
11	5	.	...	Regent Knit	145	10½	10½	10½	10½
23½	19	1.60	7	Do. pref.	20	23	23	23	23
4	2½	15c	...	Reinhardt Brew	10	3½	4	4	4
14½	8	.	...	Reliance Grain	175	13	13	12	12
29½	22	60+15c▲	.	Remington R'd.	5	26½	23⅞	23⅞	23⅞
33	30½	2	6.5	River S. Mills	....	(30⅞ bid 31⅞ asked)			
8⅞	6	.	...	Rogers Majest.	....	(— bid 6 asked)			
31	26	1	...	Rolland Pap.	....	(30 Apr. 30)			
32	25	.	...	Do. Vot. Trust	....	(29 bid 29½ asked)			
106½	102½	6	5.8	Do. pref.	10	104	104	104	104
11½	11½	25c	...	Root Petroleum	....	(5 bid 6 asked)			
227	198	8	3.9	Royal Bank	82	206	207	204	205
78	56	2.75	...	Russell Motor	....	(70 bid — asked)			
118	110	7	6.2	Do. pref.	10	114	116	113	116
				S					
103½	98½	5.50	5.3	Saguenay Pr. p.	37	103	103	102½	103
22	13	.	...	Sarnia Br. (A)	....	(13 bid 16 asked)			
16	7	.	...	Do. (B)	....	(7 bid 8 asked)			
34	25½	80c	3	Shawinigan Pr.	1660	27	27½	26	26
30	23	.	...	Sher. Wms.	210	24⅞	24⅞	23	23
131	127	7	5.5	Do. pref.	....	(— bid 127½ asked)			
16	14	.	...	Simon & Son	95	14½	15	15	15
103½	100	7	6.9	Do. pref.	....	(100 bid 104 asked)			
110	97½	5	5.1	Simpson, pf.	85	100½	99	98	98
38	20	.	...	Do. (A)	....	(25½ bid 26 asked)			
17	6½	.	...	Do. (B)	2	9	6½	6½	6½
122	109	6	5.2	Simpson, R., pf.	....	(116 bid 120 asked)			
18½	13	80c	5.9	So. Can. Pr.	50	14	14	13½	14
108	104	6	5.7	Do. pref.	31	105	105½	105	105
15½	8½	.	...	St. Law. Corp.	7525	13½	13⅞	11⅞	12½
39⅞	25	.	...	Do. (A)	1355	35½	35½	32⅞	33
25	22	1	4.2	St. Law. Flour	25	23½	24	24	24
145	140	7	5	Do. pref.	....	(140 bid 142 asked)			
97	68	.	...	St. Law. Pap. p	892	93½	93	89½	90
15½	10	.	...	Stand. Chem.	225	10	15	14⅞	15
14½	8	.	...	Stand. Clay	....	(5 bid — asked)			
9½	5	.	...	St. Pav. & Mat.	400	5½	6½	5	5
56	30	.	...	Do. pref.	5	42½	30	30	30
49½	45	3+75c▲	.	Stand. Steel, p.	....	(40 bid 45 asked)			
96½	73	1.75‡	2.4	Steel of Can.	352	80	80	73	79
88½	71	1.75	2.4	Do. pref.	160	73	74	73	73
4½	3½	.	...	Sterling Coal	....	(5 bid 6 asked)			
3½	1	.	...	Stop & Shop	....	(1 bid 2 asked)			
17	15½	80c	5	Stuart, D. A., pf	....	(— bid 16½ asked)			
3⅞	3	.	...	Supersilk H.	16	3	3⅞	3½	3½
85	80	2.50	...	Do. pref.	10	85	85	85	85
37	33½	1+25c	2.7	Sup. Pete. ord.	60	36½	37	36½	37
36	33	1+25c	2.8	Do. com.	....	(34 bid 49 asked)			
				T					
16⅞	15½	80c	4.9	Tamblyn	180	16½	16½	16	16½
54	52½	2.50	4.7	Do. pref.	....	(52 bid 53 asked)			
2½	1⅞	.	...	Thayers	200	2	2	2	2
25	19	2.50	...	Do. pref.	....	(— bid 23½ asked)			
2	1	.	...	Thrift Stores	....	(— bid 1½ asked)			
8	6	.	...	Do. pref.	....	(— bid 7 asked)			
14	10	60c	...	Tip Top Tailors	65	12	12	12	12
110	104	7	6.4	Do. pref.	5	109⅞	109⅞	109⅞	109⅞
6	2	.	...	Tooke Bros.	....	(3 bid 6 asked)			
34⅞	21	.	...	Do. pref.	....	(20 bid 25 asked)			
46	36	1	2.6	Tor. Elevators	....	(37½ bid 38 asked)			
52	47	66c	...	Do. pref.	20	50	50½	50	50
110	86½	4	3.9	Tor. Gen. Tr.	5	101	105	105	105
126	120	6	4.8	Toronto Mtge.	....	(123½ bid — asked)			
160	150	7	4.6	Tuckett Tob. p.	....	(150 bid — asked)			
18	9⅞	.	...	Twin City	....	(8 bid 10 asked)			
				U					
19	13	27½c	...	Union Gas	755	14⅞	14½	14	14
28	20	60c	...	Un. Amuse. A.	....	(— bid 30 asked)			
27	24	60c	...	Do. (B)	....	(— bid 30 asked)			
1.15	.65	.	...	United Distill.	....	(.70 bid .90 asked)			
62½	48	.	...	United Fuel, pf.	350	50½	52½	49½	49½
25	15½	2	8.7	United Secs.	90	23	16	15½	16
11½	6	.	...	United Steel	1581	7⅞	7⅞	7	7
				V					
8	3	.	...	Viau Bisc.	15	3½	3	3	3
60	50	5	...	Do. pref.	30	50	51	50	50
				W					
35	20	1+25c	3.8	Wabasso Cot.	65	35	34	33	33
49½	42	2	4.1	Walker-Good.	13628	45⅞	48⅞	46	46½
20	18½	1	5.2	Do. pref.	1150	19⅞	19⅞	19½	19½
3½	2	.	...	Walkerville Br.	580	2	2	2	2
5	2½	.	...	Waterloo Mfg.	190	2½	2⅞	2½	2½
12½	7½	.	...	West. C. Flour	....	(7½ bid 8 asked)			
90	64½	.	...	Do. pref.	5	65	64½	64½	64½
71	65	3	4.3	West. Grocers	1	68	70	70	70
122	115½	7	6	Do. pref.	....	117½ bid 125 asked			
18½	15	80+10c	..	Weston Ltd.	770	15⅞	15⅞	15	15
106½	99	5	5	Do. pref.	160	100	100	100	100
8	4	.	...	Windsor Hotel	....	(— bid 6½ asked)			
23	11	.	...	Do. pref.	....	(— bid 16 asked)			
10½	4½	.	...	Winnipeg El. A.	665	4⅞	4½	4½	4½
10	4	.	...	Do. (B)	165	4½	4½	4	4
44	25	.	...	Do. pref.	25	27	26	25	25
75	53	.	...	Wood, A. & J. p	20	75	70	70	70
85	70	.	...	Woods Mfg. pf.	....	(60 bid 75 asked)			
				Z					
7½	3⅞	.	...	Zimmerknit, c.	52	5	6	6	6
98	92	7	...	Do. pref.	15	95	98	98	98

† 1936.

▲ On account of arrears. b New York quotations.

‡ Plus extra of $2 paid Feb. 1, 1937.

• Plus stock bonus of 1% paid Jan. 2, and 1% Mar. 26, 1937.

▪ Plus capital distribution of $1 paid Feb. 1, 1937.

Mining Stock Quotations

WEEK ENDED JUNE 14, 1937

Par Val.	Range 1937 High	Low	Company	Sales	Close June 7 (or last)	High for week	Low for week	Close June 14
1	.10½	.04	Afton	5,200	.04	.05	.04	.04
No	1.90	.88	Aldermac	14,303	1.07	1.15	1.02	1.02
1	.04½	.02	Alexandria	3,600	.02	.02½	.02½	.02½
No	8.75	5.40	Anglo-Huronian	1,983	6.20	5.70	5.50	5.50
1	1.42	.45	Argosy	4,134	.57	.65	.45	.46
1	1.15	.41	Arntfield	3,700	.50	.45	.41	.41
No	.09	.03	Arno	10	.03½	.05	.05	.05
1	.15	.07½	Ashley	2,500	.08½	.08½	.08	.08
1	.27	.09	Astoria Rouyn	26,600	.12	.12	.10½	.10½
50c.	.16	.07	Aztec	900	.07	.08	.08	.08
1	.36	.20	Bagamac	9,925	.27	.28	.20	.20
1	1.85	.80½	Bankfield	8,265	.95	.95	.85	.85
1	.01½	.01	Barry Hollinger	......	(.... bid .01½ asked)			
1	.65	.25	Base Metals	9,580	.30	.34	.30½	.30½
No	1.75	1.00	Beattie Gold	4,016	1.20	1.40	1.21	1.22
1	.65	.30	Beaufor	4,110	.33	.33	.32	.32
1	1.70	.50	Bidgood Kirk.	42,105	.60	.68	.56	.56
1	.72	.40	Big Missouri	8,790	.45	.50	.45	.48
1	.29	.14	Bobjo	6,134	.16	.17	.15	.15½
1	1.14	.35	Bouscadillac G.M.	7,250	.40	.41	.35	.35
No	9.00	6.40	Bralorne	850	7.25	7.40	7.15	7.25
1	.15	.06	Brasil Gold	......	(.06 bid .09 asked)			
1	.21	.07½	Brett Trethewey	2,500	.09½	.09	.08½	.08½
1	.13	.05	Brownlee	2,400	.05½	.05	.05	.05
1	12.50	8.25	Buffalo Ankerite	765	9.70	9.80	9.10	9.40
No	.06½	.03	Buffalo Can.	4,500	.03	.03½	.03	.03
5	30.00	23.50	Bulolo Gold	1,375	23.50	24.25	23.50	23.50
No	.23	.10	Bunker Hill	7,060	.15	.15	.12½	.13½
No	2.30	1.00	Can. Malartic	4,300	1.29	1.29	1.15	1.15
1	1.75	1.47	Cariboo Gold	700	1.60	1.65	1.65	1.65
1	.47½	.18	Cartier Malartic	9,150	.22	.23	.19½	.20
1	1.66	.95	Castle Trethewey	2,500	1.02	1.05	1.00	1.00
1	.65	.30	Cent. Cadillac	5,500	.35	.38	.34	.34
1	.31	.05	Cen. Manitoba	8,600	.05	.05	.05	.05
1	5.25	2.60	Cen. Patricia	15,175	3.20	3.30	2.90	2.90
1	.43	.14	Cen. Porcupine	4,800	.16	.16½	.15	.15
No	1.47	.60	Chromium	19,600	.90	.93	.83	.83
No	.06	.03	Church M. & Mill	1,500	.03½	.03½	.03½	.03½
5	10.00	4.00	Coast Copper	......	(3.00 bid 4.00 asked)			
1	.03½	.01½	Cobalt Contact	......	(.01½ bid .01½ asked)			
5	3.50	2.00	Coniagas	......	(1.10 bid 1.15 asked)			
No	2.14	1.05	Coniaurum	8,150	1.24	1.22	1.10	1.10
1	2.70	1.00	Con. Chibougamau	4,750	1.19	1.22	1.15	1.19
25	100.50	72.00	Cons. Smelters	2,580	80.00	80.50	75.00	75.50
1	2.98	.55	Darkwater	13,850	.60	.64	.55	.55
No	51.12	38.25	Dome Mines	5,217	41.00	41.37	39.00	39.00
1	.15	.04	Dom. Explorers	1,500	.05½	.05	.05	.05
1	1.22	.40	Dorval Siscoe	4,400	.60	.65	.55	.55
1	.15	.05½	Duparquet	8,500	.08	.09	.08	.08
1	2.05	.90	East Malartic	18,600	1.15	1.20	1.05	1.05
1	3.65	2.10	Eldorado	14,280	2.81	2.95	2.70	2.70
No	12.87	7.05	Falconbridge	5,750	7.65	7.75	7.05	7.25
1	.54	.10	Federal	34,250	.12½	.13	.10	.11
No	1.59	.70	Francoeur Gold	13,700	.85	.90	.75	.75
1	.30	.07½	Glenora	6,400	.08	.09	.07½	.09
1	.65	.30	Gillies Lake	20,615	.45	.44½	.40	.40
No	1.02	.45	God's Lake	13,250	.51	.53	.48	.48
1	.30	.07	Golconda	......	(.05 bid .10 asked)			
1	.49	.22	Goldale	2,300	.28	.28	.23	.23
50c.	.39	.12	Gold Belt	9,000	.26½	.25	.23	.23
1	.68	.34	Gold Eagle	5,600	.41	.44	.40	.41
1	.22	.10	Goodfish	10,600	.12½	.13	.12	.12
1	.63	.16	Graham Bosquet	2,200	.18	.18	.16	.16
1	.57	.20	Granada Gold	2,466	.22	.22	.20	.20
No	.18	.06½	Grandora	3,000	.08	.09	.08½	.08½
1	.18	.10	Grull Wihksne	......	(.... bid .10 asked)			
1	1.25	.69	Gunnar Gold	7,450	.77	.78	.70	.70
1	.07	.02½	Halcrow Swayze	1,500	.02½	.02½	.02½	.02½
1	3.44	1.39	Hard Rock	24,060	1.66	1.75	1.48	1.50
1	.35	.14½	Harker	21,300	.15½	.17	.14½	.14½
5	15.50	10.75	Hollinger	4,823	11.50	11.75	11.00	11.50
1	.72	.33½	Howey Gold	11,950	.40	.40	.35	.35
No	41.75	27.00	Hudson Bay	2,620	29.25	29.50	28.00	28.00
1	19.25	11.25	Inter. Mining	......	(11.50 bid 12.00 asked)			
No	73.25	54.00	Int. Nickel	14,949	60.00	60.50	56.75	57.50
1	.54	.33	Jacola	5,233	.38½	.40	.33	.36
1	1.61	.75	Jackwaite	7,515	.75	.85	.77	.77
1	2.15	.90	Jellicoe	18,626	1.10	1.12	1.00	1.01
1	.59	.22	J. M. Cons. Gold	12,400	.26	.27	.22	.24
1	3.30	2.20	Kerr Addison	25,641	2.55	2.64	2.35	2.35
1	.65	.50	Kerr Lake	......	(.35 bid .79 asked)			
1	.55	.35	Kirk. Gold Rand	......	(.30 bid .... asked)			
1	2.65	1.35	Kirk. Hud. Bay	2,900	1.95	1.95	1.70	1.70
1	1.70	.90	Kirkland Lake	30,655	1.38	1.43	1.20	1.25
1	.55	.21	Kirk. Townsite	2,000	.24½	.24	.22	.22
1	1.10	.50	Laguna	1,000	.50	.50	.50	.50
1	59.50	46.50	Lake Shore	5,407	50.00	50.25	46.50	46.50
1	.28	.04	Lamaque Contact	47,760	.04½	.05½	.04½	.05
1	1.33	.63	Lapa Cadillac	27,650	.82	.87	.78	.78
1	1.05	.73	Lava Cap	5,800	.91	.91	.85	.85
1	.30	.13	Lebel Oro	24,767	.15	.16	.13	.13
1	.07½	.03	Lee Gold	3,000	.03	.03	.03	.03
1	1.35	.56	Leitch Gold	15,275	.65	.65	.56	.57
No	8.40	5.00	Little Long Lac	1,470	5.50	5.50	5.10	5.10
1	8.60	4.85	Macassa	15,535	5.40	5.50	5.00	5.20
1	1.26	.63	Madsen Red Lake	11,500	.72½	.74	.63	.63
1	.36	.13½	Maralgo	12,261	.14½	.15	.13½	.13½
1	.04½	.01½	Malrobic	2,000	.01½	.01½	.01½	.01½
No	.69	.20	Mandy	4,500	.25	.30	.25	.25
No	.16	.02½	Man. & Eastern	11,700	.03½	.03½	.02½	.02½
1	.44	.03	May Spiers	22,300	.03½	.05	.03½	.04½
5	42.25	32.75	McIntyre	2,495	35.00	35.00	33.00	35.00
1	2.03	1.04	McKenzie R.L.	9,590	1.20	1.24	1.10	1.12
1	.65	.55	McKinley	......	(.65 bid .85 asked)			
No	4.85	1.65	McLeod Cockshutt	24,569	2.25	2.35	2.10	2.12
No	1.21	.45	McWatters	3,750	.55	.55	.50	.50
1	.57	.17	McVittie	10,990	.30	.32	.25	.25
5	2.00	1.50	Mentor Exp. & Dev.	......	(1.25 bid 2.00 asked)			
No	5.00	2.80	Mining Corp.	3,735	3.15	3.15	2.80	2.80
No	.33½	.12½	Minto Mines	3,600	.18	.17	.17	.17
1	.08	.02½	Moffatt Hall	1,000	.02½	.03	.03	.03
1	.88	.31	Morris Kirk.	13,100	.32	.35	.31	.31
1	1.97	1.05	Moneta	10,175	1.40	1.45	1.29	1.29
1	.45	.15	Montague	700	.18	.18	.15	.15
1	.15	.03	Murphy	5,000	.03½	.03½	.03½	.03½
1	1.05	.33	Naybob	2,200	.36	.36	.33	.33
No	.12	.03½	Newbec	9,600	.04	.04½	.03½	.04
1	1.49	.53	New Golden Rose	6,250	.65	.67	.53	.53
1	.05	.02	Night Hawk Penn.	24,000	.02½	.02½	.02	.02
5	3.60	2.35	Nipissing	1,130	2.40	2.60	2.40	2.55
No	83.00	59.25	Noranda	7,640	61.50	62.00	59.75	60.12
No	.95	.70	Nor. Canada	1,500	.75	.76	.76	.76
1	.16½	.05½	Norgold	3,200	.06	.07	.05½	.06½
1	1.75	1.20	Normetal Mining	5,502	1.50	6.55	1.45	1.45
1	13.25	6.50	O'Brien	24,913	8.95	9.15	8.15	8.20
1	1.28	.45	Omega	12,436	.61	.63	.55	.55
1	2.20	1.00	Oro Plata	1,500	1.04	1.10	1.00	1.00
1	.30	.15	Osisko	......	(.10 bid .16 asked)			
No	4.05	2.00	Pamour	5,598	2.30	2.45	2.15	2.15
1	1.10	.49	Pandora	9,350	.62	.69	.60	.60
1	.42	.15	Parkhill	11,198	.18	.21	.18	.18½
1	3.80	1.90	Pato Cons. G.	2,000	2.25	2.10	2.00	2.00
1	.41	.17	Partanen Gold	2,000	.19	.19	.18	.18
1	.06	.02	Pawnee Kirk	6,500	.02½	.02½	.02½	.02½
1	.46	.15	Paulore	6,100	.17½	.19½	.15½	.18
1	1.38	.53	Paymaster	21,725	.62	.65	.55	.55
1	.34	.23	Payore	34,430	.28	.34	.28½	.32
1	6.60	2.55	Pend Oreille	26,933	3.75	4.10	3.75	3.80
1	2.51	.96	Perron Gold	12,600	1.05	1.10	1.00	1.00
1	.03	.01½	Peterson Cobalt	2,500	.01½	.01½	.01½	.01½
1	9.20	5.20	Pickle Crow	15,880	6.40	6.50	6.25	6.30
1	6.85	3.75	Pioneer Gold B.C.	865	3.80	4.00	3.90	4.00
1	17.00	15.00	Placer Development	200	15.50	15.50	15.00	15.00
1	.11	.03½	Porcupine Crown	16,300	.05	.05	.04½	.05
1	2.20	.95	Powell Rouyn	5,150	1.07	1.08	1.00	1.05
1	4.50	2.25	Premier Gold	6,120	2.55	2.57	2.25	2.30
1	1.47	.84	Preston E. Dome	21,145	.99	1.05	.88	.88
No	1.55	1.10	Prospectors Air's	1,100	1.43	1.43	1.40	1.40
1	.88	.40	Quebec Gold	90	.42	.55	.40	.55
No	.48	.09	Quemont	......	(.12½ bid .18 asked)			
1	6.85	3.60	Read Authier	3,030	4.00	4.05	3.70	3.70
1	2.00	.82	Red Crest	......	(.... bid .75 asked)			
1	1.78	.38	Red Lake	24,450	.47	.48	.41	.41
No	1.52	.80	Reeves McDonald	1,400	.89	1.00	.95	.95
1	1.35	.82	Reno Gold	12,550	.88	.86	.82	.82
1	.22	.09	Reward	6,100	.09½	.10	.09	.09½
1	.18	.05	Ritchie	7,750	.05	.06	.05	.05
1	.12½	.03½	Robb Montbray	7,000	.04	.05	.04	.04½
1	.48½	.10	Roche Long Lac	34,800	.13	.14	.10	.10
1	2.40	1.25	San Antonio	14,496	1.40	1.59	1.34	1.45
1	1.13	.52	Shawkey	15,700	.60	.60	.52	.54
50c.	.83	.57	Sheep Creek	2,600	.80	.81	.78	.81
1	4.00	1.80	Sherritt Gordon	12,437	2.60	2.60	2.40	2.40
1	6.65	3.50	Siscoe	13,174	4.00	4.20	3.50	3.50
1	2.50	1.00	Sladen Malartic	19,800	1.25	1.35	1.10	1.11
1	2.50	.90	Slave Lake	4,050	1.00	1.00	.90	.90
No	.05½	.02	South Tiblemont	3,500	.02	.02½	.02	.02
No	2.90	.90½	Stadacona	67,035	1.55	1.68	1.45	1.45
1	.32	.13	St. Anthony	27,400	.19	.19½	.16	.17½
No	6.90	3.50	Sudbury Basin	1,837	3.70	3.75	3.50	3.70
1	.40½	.18	Sudbury Contact	6,300	.22	.23	.20	.20
1	2.25	1.05	Sullivan Cons.	16,062	1.35	1.42	1.26	1.28
1	4.80	2.70	Sylvanite	6,225	3.25	3.30	3.00	3.00
1	.29	.08½	Tashota	5,950	.09	.10	.08½	.10
1	6.10	4.70	Teck Hughes	11,530	5.25	5.25	4.70	4.70
1	2.15	.65	Thomp Cadillac	26,290	.74	.76	.68	.70
...	.01½	.00½	Do Rights	240,100	.00½	.01	.00½	.00½
1	.65	.20	Temiskaming	10,650	.40	.40	.33	.33
1	4.60	2.10	Toburn Gold	2,175	2.40	2.55	2.40	2.40
1	2.00	.88	Towagmac	4,500	1.10	1.15	.95	.95
1	2.60	.50	Treadwell	......	(.35 bid .60 asked)			
No	9.10	7.50	Ventures	1,135	8.15	8.50	7.50	7.50
No	4.65	2.35	Waite Amulet	2,240	2.85	2.85	2.70	2.75
No	.05	.02	White Eagle	2,000	.02	.02½	.02	.02½
1	.30	.10	Whitewater	1,300	.15	.15	.14	.14
1	.17	.04½	Wiltsey Coughlan	2,000	.04½	.05	.04½	.04½
1	.77	.34	Wood Cadillac	24,426	.42	.46	.40	.40
No	8.20	6.00	Wright-Hargreaves	16,735	6.30	6.40	6.00	6.00
No	.53	.25	Ymir Girl	5,800	.26	.26½	.25	.25

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close June 7 (or last)	High for week	Low for week	Close June 14
No	.22	.10	Acme Gas & Oil	6,100	.13	.14	.12	.12
1	.57	.29	Ajax	......	(.38 bid .43 asked)			
1	.95	.29	Alta. Pac. Cons.	5,540	.35	.40	.36	.38
1	1.10	.20	British Dominion	700	.28	.30	.30	.30
No	.65	.58	Brown Oil	7,600	......	.65	.58	.60
No	6.55	2.00	Calgary & Ed.	39,940	3.15	3.45	3.10	3.25
1	1.75	.40	Calmont	39,503	.69	.80	.70	.70
No	.95	.24	Common Pete	10,475	.36	.44	.39	.44
No	3.60	.55	Dalhousie	29,189	.86	.98	.90	.90
No	.45	.10	Eastcrest	15,100	.17½	.19½	.17	.17½
No	3.35	.90	Foothills	4,917	1.25	1.50	1.25	1.27
No	1.20	.20½	Foundation Pete	97,550	.24	.40	.25	.37½
No	.39	.16	Hargal	600	.17	.17	.17	.17
No	.90	.15	High Sarcee	48,678	.26	.33	.28	.28½
No	4.05	1.85	Home	75,837	2.10	2.38	2.15	2.25
1	.87	.31	Homestead O.&G.	41,200	.45	.53	.45	.50
No	.70	.50	Hunter Valley	......	(.50 May 19)			
No	.16	.15	Do. Warrants	......	(.15 May 26)			
No	.90	.20	Lowery	......	(.25 bid .35 asked)			
No	.63	.26	Mercury	22,700	.37	.38	.35	.37
No	.30	.18	McD.-Segur Ex.	1,100	.24	.26	.24	.24
No	.39	.10	Merland	8,300	.14	.15	.14	.14
1	1.15	.38	Model	2,550	.40	.65	.60	.60
5	.49	.15	Nordon	23,400	.17	.19	.16	.16
No	.12	.04	Oil Selections	5,800	.04½	.04½	.04	.04½
No	4.10	1.05	Okalta	26,775	1.91	2.25	1.80	2.24
No	.12	.03½	Olga Gas & Oil	6,000	.04½	.04½	.04	.04
No	.43½	.10	Pacalta	33,110	.17	.18½	.16	.17
1	.70	.60	Petrol Oil & Gas	1,100	.65	.65	.60	.60
No	60.00	34.50	Royalite	2,021	39.00	42.50	40.00	40.00
No	2.00	.50	South West Pete	1,850	.60	.80	.75	.75
1	.68	.25	Spooner Oil	50	.30	.25	.25	.25
No	2.35	1.50	Texas Can.	9,300	2.00	1.99	1.80	1.82
No	.70	.17	United Oil	42,200	.29	.33	.29	.30
1	2.00	1.00	Vulcan	3,805	1.40	1.55	1.40	1.55

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1937 High	Low	Company	Sales	Close June 7 (or last)	High for week	Low for week	Close June 14
50c	.15	.08	Astec	1,000	.08½	.08	.08	.08
25c	.02	.00½	Bayview	1,000	.00½	.01	.01	.01
20c	.04	.01	Beaver Silver	2,000	.02	.01½	.01½	.01½
1	.70	.44	Big Missouri	2,000	.45½	.50	.49	.50
25c	.07½	.02½	Bluebird	......	(.03½ bid ... asked)			
No	9.00	6.10	Bralorne	1,832	7.25	7.50	7.00	7.00
1	.07½	.03½	Bridge River Cons.	1,000	.03½	.03½	.03½	.03½
50c	.19	.08	B.R.Mountain Gold	......	(.08 May 29)			
1	.40	.17	B.C. Nickel	68,350	.21	.25½	.20	.22
1	3.85	2.00	B.C. Silver	2,500	2.00	2.00	2.00	2.00
50c	.04½	.03	Canadian Rand	......	(.03½ Apr. 14)			
1	1.79	1.45	Cariboo Gold	1,300	1.61	1.65	1.60	1.65
1	.14	.03½	Congress Gold	11,100	.04½	.05	.03½	.03½
25c	.05	.01	Cork Province	1,000	.01	.01	.01	.01
No	.28	.13½	Dentonia	8,100	.16	.15	.14	.14
1	.05	.03	Dunwell	......	(... bid .03½ asked)			
No	.18	.07	Fairview Amal.	19,342	.08	.08	.07	.07
50c	.69	.38	Fawn Mining	......	(.38 Mar. 18)			
1	.06½	.03	Federal Gold	18,800	.03	.03½	.03	.03
1	1.43	.38	George Copper	300	.41	.45	.45	.45
50c	.06½	.02½	George Enterprise	......	(.03 bid .04 asked)			
1	.05	.02	Georgia River	13,000	.02½	.02½	.02½	.02½
...	.03½	.01	Glacier Creek	......	(... bid .02 asked)			
1	.29	.07	Golconda	6,400	.07½	.07½	.07	.07
50c	.37	.11½	Gold Belt	6,600	.28	.25	.22	.22
50c	.43	.05	Gold Mountain	33,600	.06½	.06½	.05	.05
50c	.30	.11½	Grandview	15,150	.16½	.19	.16½	.16½
No	.03½	.01	Grange Mines	......	(.01½ bid .02 asked)			
1	.18½	.07	Grull Wihksne	5,600	.08½	.08½	.07½	.08
No	.65	.00½	Haida Gold	......	(.01 bid .01½ asked)			
25c	.26	.20	Hecla Mining	......	(.25 Mar. 30)			
No	.13	.03	Hedley Sterling	......	(... bid .02½ asked)			
No	.04½	.02	Home Gold	500	.02	.02	.02	.02
1	.04½	.02½	Independence	......	(.03½ Feb. 11)			
1	.08	.02	Indian Mines	2,500	.02	.02½	.02	.02½
50c	1.18	.55	Island Mountain	900	.70	.68	.55	.55
1	.22½	.21	Inter'tl Coal	......	(.21 bid .25 asked)			
50c	.08½	.04½	Inter'tl Gold	......	(... bid .04 asked)			
50c	.90	.79	Kootenay Belle	3,300	.85	.85	.80	.80
20c	.07	.01½	Koot. Florence	7,500	.01½	.01½	.01½	.01½
25c	.04½	.01	Kootenay King	......	(... bid .01½ asked)			
1	.03½	.00½	Lakeview	4,000	.01½	.01½	.01½	.01½
10c	.19½	.06½	Lucky Jim	22,000	.07½	.07½	.06½	.06½
No	.07½	.02½	Mak Siccar	2,000	.03	.02½	.02½	.02½
50c	.02½	.00½	Marmot Metals	2,000	.00½	.00½	.00½	.00½
1	.19½	.18	McGillivray Creek	......	(.19 bid ... asked)			
5c	.17	.12	Meteline	......	(.12 May 16)			
50c	.06½	.01	Meridian Min.	......	(.01½ bid .02½ asked)			
No	.38	.13½	Minto Mines	40,800	.16	.16½	.14	.14
1	.05	.01	Morton Woolsey	......	(.01½ May 20)			
50c	.15½	.04½	Nicola	18,500	.05½	.05½	.04½	.05
50c	.17	.05½	Noble Five	15,500	.06½	.06	.05½	.05½
1	6.75	2.65	Pend Oreille	1,475	3.65	4.10	3.80	3.70
No	.07½	.03	Pilot Gold	7,600	.04	.03½	.03	.03
1	6.75	3.75	Pioneer Gold	1,370	3.95	4.10	4.00	4.00
50c	.15	.04½	Porter Idaho	1,500	.04½	.04½	.04½	.04½
No	.05½	.01½	Premier Border	7,000	.02	.01½	.01½	.01½
1	4.80	2.20	Premier Gold	15,300	2.56	2.55	2.20	2.25
1	.15	.03	Quatsino Copper	2,000	.04	.04	.04	.04
25c	.17	.08½	Quesnelle Quartz	1,000	.10	.10	.09	.10
1c	.05½	.02½	Reliance	22,500	.02½	.02½	.02½	.02½
1	.37	.18	Relief Arlington	6,700	.19	.20	.18	.19
No	1.90	.75	Reeves McDonald	4,100	.85	.95	.85	.90
1	1.31	.80	Reno Gold	3,750	.86	.82	.80	.80
1	.20½	.06	Reward Mining	15,200	.09½	.10½	.10	.10
1	.09½	.02½	Rufus Argenta	13,000	.03½	.03½	.02½	.02½
1	.11½	.02½	Ruth Hope	500	.03	.02½	.02½	.02½
1	.12	.05	Sally Mines	1,000	.06	.05	.05	.05
50c	.15	.08	Salmon Gold	1,600	.09	.10	.09	.09
50c	.83	.58	Sheep Creek	9,500	.78	.82	.79	.80
1	3.20	2.50	Sihak Premier	......	(2.50 May 28)			
25c	.14½	.04½	Silvercrest	1,700	.06	.06½	.06	.06
20c	.10	.02	Silversmith	3,300	.02½	.02½	.02	.02
1	.63	.40	Standard Silver	400	.45	.40	.40	.40
10c	21.00	19.75	Sunshine	......	(19.75 Apr. 6)			
No	.13	.06	Taylor Bridge	......	(... bid .05½ asked)			
1	.14	.08	Taylor Windfall	......	(.10½ Apr. 29)			
No	1.05	.30	Vidette Gold	5,100	.45	.48	.41	.41
No	.06½	.01	Viking Gold	8,500	.01½	.01½	.01	.01½
50c	.03	.00½	Waverley Tangier	10,000	.01	.01	.00½	.00½
50c	.08½	.03½	Wayside	......	(.04 May 5)			
20c	.13½	.03½	Wellington	3,000	.04	.04½	.04½	.04½
50c	.50	.16	Wesko	1,000	.18½	.18	.18	.18
1	.42	.11	Whitewater	9,000	.13	.14½	.12	.12
No	.50	.25	Ymir Yankee Girl	......	(.25 May 31)			

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close June 7 (or last)	High for week	Low for week	Close June 14
1	1.09	.26	Alta. Pac. Cons.	17,230	.39	.41	.38	.39
1	.14½	.06	Amalgamated	2,800	.08	.07½	.06	.06
1	.64	.07½	Anaconda	35,960	.20	.23	.19½	.22
No	.45	.07	Associated Oils	100	.12	.15	.15	.15
No	.24	.04½	Baltac	6,500	.06	.07	.06	.07
1	1.05	.15	Brit. Dominion	......	(.28 bid ... asked)			
No	6.50	2.15	Calgary & Ed.	8,775	3.25	3.40	3.15	3.15
1	1.84	.43	Calmont	11,200	.68	.78	.67	.75
1	.90	.26	Commonwealth	10,200	.39	.45	.40	.45
1	.13	.05½	Crow's Nest	2,335	.07	.07	.05½	.05½
No	3.55	.71	Dalhousie	1,630	.83	.99	.85	.85
No	.24	.05	Devenish	1,500	.06	.06½	.06	.06
No	.45	.13½	Eastcrest	700	.16	.19	.18	.18
No	.96	.23	Foundation Pete.	15,050	.25	.41	.30	.37
No	.44	.09	Freehold	16,600	.10	.12	.10½	.12
No	.40	.10	Hargal	......	(.18 bid .20 asked)			
No	.91	.14	High Sarcee	5,610	.26½	.31	.27	.31
No	4.10	1.50	Home Oil	4,565	2.05	2.35	2.15	2.25
No	.88	.21	Lowery	300	.30	.30	.30	.30
No	.35	.04½	Madison	44,800	.10½	.12½	.10	.12
No	.50	.15	Marjon Oil	11,800	.18½	.21½	.19	.20
No	.78	.18	McD. Segur Ex.	11,150	.23½	.28	.24	.26
1	1.60	.40	McLeod	300	.51	.54	.54	.54
No	.83	.22	Mercury	24,900	.35	.37	.35	.37
No	.39	.12	Merland	5,900	.15	.15	.14	.14
No	.65	.16	Mill City Pete	22,750	.20	.29	.25	.25
No	.65	.08	Midwest Pete	600	.12	.13½	.12	.12
1	1.15	.44	Model	400	.63	.61	.61	.61
25c	.25	.23	Monarch Royal	......	(.39 bid .40 asked)			
5	.48	.16	Nordon	1,700	.16	.17	.17	.17
No	4.00	.85	Okalta	......	(2.30 bid 2.32 asked)			
No	.44	.11½	Pacalta Oil	4,400	.17	.19	.17	.19
1	1.50	.28	Ranchmen's	37,400	.44	.44	.40	.41½
No	59.00	34.00	Royalite	20	40.00	42.00	42.00	42.00
No	2.00	.45	Southwest Pete	400	.70	.75	.70	.70
1	.75	.25	Spooner	2,800	.30	.30	.28	.30
No	.72	.16½	United	22,050	.30	.32	.30	.31
No	.38	.05	Vanalta	8,600	.10	.12	.10½	.12
1	3.05	.95	Vulcan	......	(1.50 bid 1.55 asked)			

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

June 15, 1937

Public Utility Issues:	Int. Rate %	Due	Bid June 15	Asked	Bid June 8
†Assoc. Tel. & T.	5½	'55	82	85	83½
▲Avalon Tel.	5½	'48	101½	...	101½
Beauharnois P.	5½	'73	54½	57½	55
‡Bell Telephone	5	'55	114	117	113½
‡Do.	5	'57	118½	121½	118½
B. C. Power	4½	'60	97	100	95
B. C. Tele.	4½	'61	104	107	104
‡Calgary Pwr.	5	'60	95	98	96
†Do.	5	'64	94½	97½	95
†Can. Nor. Pwr.	5	'53	102½	105½	102½
‡Dom. Gas & El.	6½	'45	90½	93½	90½
‡Gatineau Power	5	'56	101	104	100½
‡Do., A	6	'41	101	104	100½
‡Do., B	6	'41	101	104	100½
Gt. Lakes Pwr.	4½	'56	92	95	92
‡Inter. Hydro-El.	6	'44	75	78	73½
‡Inter. Power	5	'57	97½	100½	97½
‡Do.	6½	'57	99½	102½	100
▲Do.	6	'55	100½	103½	100½
†Macl-Que. Pwr.	5½	'61	97½	100½	97½
†Do.	5½	'64	97	100	96½
†Mtl. Island Pr.	5½	'57	103½	106½	103
†Mtl. L., H. & Pr.	3½	'56	99	102	99
†Mtl. Tramways	5	'41	99	102	100
†Do	5	'55	75½	78½	77
Nfld. L. & P.	4½	'56	98½	101½	98½
Nat'l. L. & P.	6	'49	95½	98½	96
N. S. L. & P.	4	'57	97½	100½	98
†Ottawa L.H.&P.	5	'57	105½	...	105½
†Ottawa Traction	5½	'55	104	...	104
†Ottawa Val. Pr.	5½	'70	104	107	104
†Power Corp.	4½	'59	98	101	98½
‡Quebec Power	5	'68	103½	106½	103½
Saguenay Pr., B	4½	'66	102	105	101½
*Do., A	4½	'66	100½	103½	100½
‡Shaw. W. & Pr.	4	'61	97½	100½	93½
†Do.	4½	'70	102	105	101½
†United Secs.	5½	'52	73	76	71
†West. Pwr. Co.	5	'49	104	107	104
‡Winnipeg Elec.	4½	'60	103½	106½	104
‡Do., A	5	'65	74½	77½	74½
‡Do., B	4	'65	60½	63½	62
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	97½	100½	98½
Acadia Sugar	4½	'55	99½	102½	100
†Alta. Pac. Grain	6	'46	96½	99½	96½
B. A. Oil	4	'45	102½	105½	102
Canada Bread	6½	'41	107½	110½	107
†Canada Cement	4½	'51	100	103	102½
†Canada Paper	4½	'52	96½	99½	96½
Can. Steamship	6	'41	65	68	66
Can. Canners	5	'51	99	102	98½
Can. Bakeries	6½	'45	100½	...	100½
‡Can. Inter. Pap.	6	'49	101	104	100½
C. P. R.	3½	'51	99½	102½	99½
Do.	4	'49	102½	105½	102½
Do.	4	'44	101½	104½	102
Do.	4	Perp.	94½	97½	94½
†Can. Vickers	6	'47	95½	98½	94½
†Consol. Paper	5½	'61	89½	92½	90
‡Dominion Coal	6	'55	101	104	101
Dom. Sq. Corp.	6	'48	70½	73½	70
▲Dom. Stl. & C.	6½	'55	102½	105½	102½
Dom. Tar	6	'51	99½	102½	100
Dom. Textile	4½	'55	105	108	105
†Donnacona P.	4½	'56	84	87	85
†Famous Players	4½	'51	96	99	96
†Federal Grain	6	'49	99	102	100
†Fraser Cos.	6	'50	103	106	103
‡Gen. Stl. Wares	4½	'52	95	98	95
Great Lakes P.	5	'55	93½	96½	94
‡Gypsum, L & A	5½	'48	101½	104½	101½
‡Gr. Br. & Can. Invest.	4½	'59	87	90	87
Hamilton Cot.	5	'48	103	...	103
Ham. By-Prod. Coke	5	'50	98½	101½	98½
Do.	5	'56	98	101	98½
‡Inter. Paper	6	'55	96	99	97½
†Inter. P. & P. Nfld.	5	'68	102½	105½	101½
Inter City Bak.	5½	'48	103½	...	103½
Inter-City West. Bakeries	6½	'50	56	59	54½
†Kingston Elev.	6	'50	98½	101½	98½
Lake St. John P. & P.	5½	'61	100	103½	100
Do.	5	'61	83	86	79½
†Lond. Can. Inv.	4½	'48	92	95	92½
†Massey-Harris	5	'47	96½	99½	97
†McColl.-Front.	6	'49	101½	104½	101½
†Mersey Paper	6	'49	99	102	99
‡M. & O. Paper	6	'45	68	71	70
Nat'l Grocers	4	'47	99	102	100
†N. A. Elevators	6	'50	96	99	96
Nor. Ont. Bldg.	6½	'39	98	101	98
†Price Bros.	5	'57	99½	102½	99
‡Prov. Paper	5½	'47	102½	...	102½
Queen's Hotel	6	'47	100	...	100
‡Reliance Grain	4½	'52	98	101	97½
†Restigouche Co.	6	'48	114	117	114
Rich. Bay Bldg.	6½	'47	100	103	100½
‡Rolland Paper	4½	'51	102½	...	102½
Ruddy & Co.	6½	'48	98	101	98
†Simpsons Ltd.	4½	'51	94	97	93
†Smith, Howard	4½	'51	102	105	102
†Steel of Canada	6	'40	110½	113½	110½
Sterling Coal	6	'40	94	97	94½
*Twin City	5½	'52	75½	78½	78½
United Amuse.	5	'56	98½	101½	99
United Corp.	5	'53	98	101	98
Unit. Grain Gr.	5	'48	94½	97½	94½
Do.	5½	'49	96	99	96½
Union Gas	4½	'50	98½	101½	97½
▲Wabasso Cot.	4½	'51	96	99	95
†Western Grain	6	'49	70	75	75
Windsor Hotel	6½	'43	80½	83½	80
Do.	6	'47	41½	44½	40
Zimmerknit	6	'51	100	...	100

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. ▲Payable in Can. or U. K. *Payable in U. S. only.

Unlisted Mines

June 15, 1937

	Bid	Asked
Alden Gold	..	.12
Albany River	.24	.26
Algold	.30	.32
Amm Gold	..	.22
Armistace	.14	.17
Arno	.03½	.04
Athona	.18	.20
Area	.02½	.03½
Advance	.01	.02
Alsbach	.04	.05
Anglo S. N.	..	1.05
Aquarius	.09	.12
Augite	.17	.20
Bailor	.02½	.03½
Bar Lar	.11	.13
Bathurst	.02	.03
Bidl'aque	..	.15
Big Master	.05	.07
Bilmac	.10	.12
Baldwin	.01½	.02
Brengold	..	.08
Bousquet	.01½	.02
Cuniptau	.05½	.06½
Cald Bousquet	..	.10
Cal. Flin Flon	.04	.05
Can. Pan.	.11¾	.12¼
Can. Kirk.	.02¼	.02¾
Can'laca	.40	.43
Casey Con.	.01¼	.01¾
Cen'cour	..	.20
Chesterville	1.55	1.70
Coin Lake	.11	.12
Condor O.	.04	.05
Cont. Kirk.	.25	.28
Cooke Lake	..	.35
Cres. Kirk.	.05	.06
Dawson W.	.10	.12
Dem. Cad.	..	.14
Dennison N.	.41	.43
Doreva	.40	.45
Del Porc.	.14½	.16½
Dunlop N.	.05	.06
El Bonanza	.09	.11
Electra Porc.	.08	.10
Eva Lake	.10	.12
Elmos	.16	.19
Faulkenham	.31	.35
Fernland	.15	.18
Fiske	.01½	.02½
Fleming	.23	.25
Franklin	.01¾	.02
Frontier	.14	.15
Garnet	.02½	.03
Gateway Pat.	.05	.07
Gilbec	.02½	.03
Goldside	.04½	.04¾
Gold Gate	.43	.46
Gordon Lebel	..	.08
Greenlaw	.02	.04
Harlake	.02	.03½
Hudson Pat.	.03	.04
Hislop	.10	.12
Horseshoe	.01½	.02½
Hutchinson Lake	.14	.16
Hugh P.	.13	.15
John Nip.	.05	.05½
Kaw Crow	.07	.09
Kenecho	.11	.13
Kenricia	.42	.46
King Kirk.	.02½	.03
Kir. Vit.	.14	.15
Kirk. Gate.	..	.11
Kirk. Hun.	.02	.02½
Lafayette	.02½	.03½
Lake Geneva	.64	.66
Lamaque	..	7.25
Lardego	.05	.06
Malartic Gold	.28	.33
Martin McN.	.04	.05
Mart. Bird.	.63	.68
Maritime	..	.20
Moffatt N.	.06	.07
McCarthy Webb	.20	.21

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

June 15, 1937

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, pfd.	4.00	4.75
Acme Farmers Dairy, pfd.	48.00	53.00
Algoma Steel, com.	14.00	15.75
Do., pfd.	72.75	74.00
Andian Nat	49.00	49.75
Assoc. Tel & Tel., pfd.	38.00	41.00
B. C. Pulp & Paper, pfd.	85.00	....
Do., com.	25.00	....
Brandram-Henderson, com.	4.00	5.50
Do., pfd.	16.25	17.25
Burns & Co., A	12.00	14.00
Do., B	5.00	6.00
Can. Tube & Steel, 1st pfd.	75.00	77.50
Do. com.	8.00	9.75
Can. Wire & Cable, pfd.	112.50	115.00
Can. Airways	5.00	6.50
Can. Industries, A com.	239.00	242.00
Do., pfd.	159.00	160.00
Can. Ingersoll Rand	129.00	132.00
Can. Western Lumber, com.	1.60	1.75
Chase, A. W., pfd. bonus	26.25	28.50
Claude Neon Gen. Adv., pf.	14.20	15.00
Conduits Nat., com.	5.20	5.80
Crescent Creamery, pfd.	35.00	38.00
Dom. Found. & St., pfd.	97.50	100.00
Dominion Woollens, c.	.95	1.10
Do., pfd.	3.60	4.50
Dunlop Tire, pfd.	83.00	86.00
Federal Grain, com.	3.00	4.00
Do., pfd.	45.00	47.00
Goderich Wire, pfd.	105.00	108.50
Guelph Carpet, pfd.	105.50	107.00
Do., com.	25.25	....
Hayes Steel Prod., com.	11.00	13.50
Do., pfd.	7.75	8.75
Highland Dairy, com.	2.50	....
Lake Sulphite Pulp, com.	20.00	23.00
Loblaw's Inc, (U.S.) Units	74.00	....
McCormick's, com.	5.00	5.50
Do., pfd.	15.00	....
Morrison Brass, pfd. bonus	12.00	15.00
Mount Royal Hotel, pfd.	3.25	4.00
New Mth. Laund., pfd. bonus	92.25	96.00
Perfection Pete., pfd.	22.00	25.00
Provincial Paper, pfd.	106.50	107.50
Reliance Grain	97.00	99.00
Rob. Cons. Cone	10.00	11.00
Ruddy, E. L., pfd.	34.00	38.00
Seal O Sac (Can.)	13.50	15.00
Silverwoods Dairies, com.	1.75	....
Do., pfd.	4.60	....
Standard Fuel, com.	6.00	7.00
Do., pfd.	99.00	101.00
Supert. Petrol., B pfd.	26.00	28.00
Toronto Carpet, com.	53.00	....
Do., pfd	57.50	....
United Steel, A pfd.	20.00	21.50
West. Grain, pfd. bonus	10.25	12.00
Weston (Geo.) Foods (Eng.)	2.50	3.00
Wings Limited	1.15	1.30
Trusts and Loan Stocks:		
Chartered Trust	96.00	....
Commercial Finance, com.	2.75	2.90
Guelph Ont. Inv., par $50.00	50.00	52.75
London & West. Trust	54.00	57.00
Prudential Trust	5.00	6.00
Sterling Trust	42.00	....
Traders Fin., A com.	21.00	23.00
Do., B pfd. bonus	95.00	98.50
Trusts & Guarantee	29.50	30.50
Insurance Stocks:		
Canada Life	538.00	545.00
Canadian Ins. Shares	16.00	18.00
Confederation Life, 20% pd.	115.00	117.50
Dominion Fire	134.00	....
Dom. of Can. Gen.	131.00	140.00
Empire Life, 25% pd.	12.50	13.00
Federal Fire, 25% pd.	38.00	....
Great West Life	328.00	345.00
Guar. of N.A., fully pd.	300.00	320.00
Do., 20% pd.	56.00	....
Imperial Life	350.00	365.00
Manufacturers Life	257.00	262.00
Monarch Life, 10% pd.	24.00	....
Sovereign Life, 25% pd.	16.25	17.50
Sun Life	640.00	660.00
Western Assurance, com.	51.00	53.50
Do., pfd.	41.00	43.00
Theatre Stocks:		
Allens Kingston, pfd.	63.00	70.00
Do., Parkdale, pfd.	64.00	....
Do., St. Catharines, pfd.	60.00	....
Do., Tor., pfd. bonus com.	29.00	32.00
Loew's London, pfd.	2.00	2.70
Mansfield Theatre, pfd.	29.50	32.50
Paramount Kitchener, pfd.	59.00	63.00
Do., Oshawa, pfd.	90.00	96.00
United Amusement, A	24.00	25.00
Do., B	21.00	23.00
Investment Trust Shares:		
Can. Gen. Invest. Ltd.	10.20	10.40
Can. Investment Fund	4.45	4.80
Can. Investors Corp.	9.00	9.75
Cons. Div. Std. Sec. Units	22.00	22.50
Invest Found., pfd. bonus	61.00	63.00
Lon. Can. Invest., com.	4.30	4.90
Sec's. Hold., pfd. bonus	22.00	24.00
United Corpns., A	24.00	25.00
Do., B	22.50	23.00
Power Issues:		
Can. West. Nat. Gas, pfd.	90.50	92.00
Do., com.	27.00	....
Foreign Power Sec's., pfd.	10.00	12.50
Great Lakes Power, pfd.	98.50	100.00
Inter. Util., $1.75 pfd.	15.00	16.00
Montreal Island Pwr., pfd.	18.00	20.00
New Brunswick Tele., com.	13.50	14.25

Winnipeg Stocks

(Transactions from June 7 to June 12)

	Sales	High for period	Low for period	Close June 12
Canadian Fire	10	80.00	80.00	80.00
Dickstone Cop.	3,000	.25	.25	.25
Flin Flon	3,700	.06	.06	.06
Gurney Gold	1,300	.34	.32	.32
Gold Lake	500	.02½	.02½	.02½
Monarch Life	10	25.00	25.00	25.00
Knee Lake	1,500	.02	.02	.02
Ore Grande	6,500	.03½	.03½	.03½
Packsac	400	.12	.11	.11
Sachigo	163	12.75	11.00	11.00
Star Lake	2,500	.02	.02	.02
United Grain	65	10.50	10.00	10.50
Wylie Dom.	3,000	.28	.28	.28
Wingold	4,700	.05½	.05	.05
Wings, Ltd.	245	1.25	1.00	1.25
Wpg. R. Tin	2,500	.01½	.01½	.01½

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Insurance	..	100
Can. Indemnity	125	..
Dom. Envelope. pref.	93½	95½
Federal Grain, pfd.	46	..
Home Investment	20	25
Northern Can. Mtge., pf.	3	..
North. Mtge., part pd.	..	2
Northern Trust	..	9½
Traders Bldg.	90	..
Western Brew.	1¼	..
West. Steel, pf.	..	12
West. Steel, pf.	..	13

*Stocks more active on other exchanges not included.

UNLISTED MINES (Continued)

	Bid	Asked
Monarch	.05½	.06½
Mooshla	.20	.22
Mosher	.28	.30
Norlake	.13½	.14½
North Shores	.02½	.03
Oklend	.15	.17
O'Leary	.05	.06
Oriole	.09½	.10
Ossian	.03½	.04½
Osoyoos	..	.44
Pascalis	.31	.33
Porc. McNabb	.06	.08
Porc. Unit	.07	.08
Porc. Lake	..	.25
Porc. G. R.	..	.02½
Porc. Tri.	..	.17
Pon. Rouyn	.08	.11
Pelangio	.11	.13
Planet	.19	.21
Que. Man.	.62	.65
Rajah	.25	.27
Richmac	.35	.39
Ribago	.02½	.03½
Roeanor	..	.10
Rouyn Reward	.05	.05½
Rubec	.03¼	.04
Sand River	.23	.26
Schreiber	.04	.05
Shenango	.16	.18
Silver Valley	..	.10
Skookum	.09	.10
Siscoe Ex.	.21	.23
Smelters	.02½	.03
Spooner	.12	.15
Sturgeon River	.21	.25
Springer	.10	.12
Sud. Lac	.13	.15
Sun Bear	.26	.28
Tonawanda	.04¾	.05¼
Uchi Lake	.70	.80
Upper Can.	.34	.37
Valora	.22	.25
Wascana	.18	.19
Williamson	.11½	.13
Wesley	.14	.15
Westside	.06	.08½
West R. L.	.04½	.05½
White Horse	.12	.14
Woco	..	.15
Wendigo	.14	.16
Winoga	.07	.09
Ypres Cad.	.07	.09
Young D.	.14½	.10

Government Bonds

Dominion of Canada Bonds

June 16, 1937		Bid	Ask.	Approx. Yld.
2	15 Nov. '39	101.25	101.75	1.26
2½	15 Oct. '39	102.25	102.75	1.30
4	15 Oct. '39	105.75	106.25	1.26
1½	1 June '40	100.10	100.60	1.29
4½	1 Sept. '40	108.25	108.75	1.72
1	15 Mar. '41	97.85	98.35	1.46
5	15 Nov. '41	111.25	111.75	2.19
3	15 Oct. '42	103.65	104.15	2.17
2½	1 June '43	101.00	101.50	2.24
5	15 Oct. '43	112.25	112.75	2.79
4½	15 Oct. '44	110.25	110.75	2.88
■2½	15 Aug. '45	99.15	99.65	2.55
4	15 Oct. '45	106.65	107.15	▲2.77
4½	1 Feb. '46	110.10	110.60	3.09
3¼	1 June '49	99.85	100.35	3.20
3½	15 Oct. '49	102.25	102.75	▲3.08
4	15 Oct. '52	106.25	106.75	▲3.24
3	1 June '55	95.85	96.35	3.27
4½	1 Nov. '56	109.00	109.50	▲3.32
4½	1 Nov. '57	109.10	109.60	▲3.40
4½	1 Nov. '58	109.65	110.15	▲3.42
4½	1 Nov. '59	109.85	110.35	▲3.47
■3¼	15 Jan. '61	99.25	99.75	3.26
3¼	1 June '66	96.85	97.35	3.39
3	Perp. bds.	86.75	87.25	3.44
Dominion Guaranteed Bonds				
Canadian National Railway:				
3	1 May '44	102.00	102.75	2.57
3	15 Dec. '50	96.00	97.00	3.27
3	15 Feb. '53	95.00	95.75	3.34
*4½	1 Sept. '51	112.75	113.50	3.32
*4½	1 Feb. '56	113.00	113.75	3.50
†4½	1 July '57	112.00	112.75	3.60
*4¾	15 June '55	115.50	116.25	3.52
5	1 Feb. '54	115.75	116.50	3.67
*5	1 July '69	115.75	116.50	▲3.01
*5	1 Oct. '69	117.75	118.50	▲3.48
Provincial Government Bonds				
New Brunswick:				
4	1 Sept. '54	100.00	101.00	3.92
†4½	15 Apr. '61	104.50	105.50	4.14
†5	15 Jan. '60	109.50	110.50	4.28
Nova Scotia:				
3	2 Sept. '45	96.50	98.50	3.20
4½	15 May '43	106.50	107.50	3.13
†4½	15 Sept. '52	108.25	109.25	▲3.44
†5	1 Mar. '60	115.00	116.00	3.94
Ontario:				
3	1 Dec. '51	94.50	96.00	3.35
*4	1 June '62	106.00	107.50	3.55
4½	1 June '50	109.75	110.75	3.46
*4½	15 Jan. '62	114.00	115.50	3.55
5	15 Oct. '48	113.75	114.75	3.43
*5	2 Dec. '60	118.00	119.50	3.75
5½	1 July '46	115.75	116.75	3.33
Ont. Hydro Comm.:				
3½	1 Apr. '47	101.50	102.50	3.20
4¾	1 Jan. '70	114.75	116.75	3.85
Prince Edward Island:				
3	1 Oct. '45	96.50	98.50	3.20
Quebec:				
4	15 Mar. '52	104.50	106.00	3.48
4¼	1 Aug. '58	109.25	110.25	3.56
4½	2 Jan. '63	110.50	112.00	3.77
Alberta:				
4	15 Dec. '54	58.00	60.00	§
†4	1 Dec. '57	58.00	60.00	§
4½	1 Oct. '51	69.00	71.50	§
†4½	1 Oct. '56	59.00	61.00	§
†5	1 Jan. '48	61.00	63.00	§
5	1 Sept. '55	61.00	63.00	§
*5	1 Oct. '59	61.00	63.00	§
†5½	1 Jan. '47	62.00	64.00	§
6	1 Mar. '47	66.00	68.00	§
British Columbia:				
†4	1 Dec. '57	92.00	93.25	4.51
*4½	15 Jan. '51	98.00	98.75	4.62
†4½	1 Oct. '53	97.00	98.00	4.67
†5	15 Jan. '48	100.00	101.00	4.87
5	1 Sept. '53	100.00	101.00	4.90
5½	1 Feb. '45	102.25	103.00	5.03
6	15 Feb. '47	103.25	104.25	5.43
Manitoba:				
4	2 Jan. '50	84.00	86.00	5.56
†4	1 Dec. '57	85.00	86.00	5.11
†4½	15 Dec. '56	88.50	90.00	5.33
†5	15 June '54	92.00	94.00	5.55
*5	2 Dec. '59	93.00	95.00	5.39
5½	1 Oct. '55	94.00	96.00	5.85
6	1 Apr. '47	98.00	99.00	6.13
Saskatchewan:				
4	15 Aug. '53	71.00	73.00	6.73
4	1 Nov. '60	69.50	71.50	6.35
*4½	2 July '45	86.00	88.00	6.45
†4½	1 Oct. '51	87.50	88.50	5.67
†4½	15 Mar. '60	79.00	81.00	6.04
5	1 Aug. '58	83.00	85.00	6.28
†5½	15 Nov. '46	88.00	90.00	6.95
5½	1 Oct. '52	87.00	88.00	6.76
6	15 Mar. '52	89.00	91.50	6.92

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%.

Mining Dividends

	Rate	Close June 14	Yield %
Anglo-Huronian	20c	5.50	..
Beattie Gold	‡5c	1.22	..
Bralorne	40c+25c	7.25	*8.9
Buffalo Ankerite	50c+5c	9.40	*5.8
Bulolo Gold	‡1.50	23.50	..
Cariboo	10c	1.65	6.1
Central Patricia	4c	2.90	..
Coniagas	12½c	2.00	..
Coniaurum	5c	1.10	..
Cons. Smelters	$1+$1	75.50	..
Dome Mines	$2+$2	39.00	*10.2
Falconbridge	30c	7.25	4.2
Hollinger	65c+45c	11.50	*9.5
Howey Gold	2c	.35	..
Hudson Bay	75c	28.00	..
Island Mountain	‡10c	.55	..
Int. Coal & Coke	‡1c	.21	..
Inter. Nickel, com.	$2	57.50	3.5
Inter. Mining	30c	12.00	..
Kerr Lake	5c	.50	..
Kirk. Lake	‡3c	1.25	..
Lake Shore	$4+$1	46.50	*10.7
Lava Cap M.	5c	.85	..
Little Long Lac	20c	5.10	..
Macassa	15c	5.20	..
McIntyre	$2	35.00	5.7
McKenzie Red Lake	4c	1.12	..
McKinley Sec.	5c	.65	..
McWatters Gold	5c	.50	..
Noranda	$1.75	60.12	..
Nor. Can. Mining	2c	.76	..
Nipissing	25c	2.55	..
Placer Develop.	‡60c	15.00	..
Premier	12c+1c	2.30	*5.6
Pioneer B.C.	40c	4.00	10
Pickle Crow	§5c	6.30	..
Reno	12c	.82	14.6
San Antonio	7c	1.45	..
Sheep Creek	8c+1c	.81	11.1
Siscoe	20c+1c	3.50	*.6
Sudbury Basin	10c	3.70	..
Sullivan Cons.	†2½c	1.28	..
Sylvanite	20c+5c	3.00	*8.3
Teck-Hughes	40c+5c	4.70	*9.6
Toburn	8c	2.40	3.3
Ventures	†12½c	7.50	..
Wright-Harg.	40c+25c	6.00	*10.8

‡Interim. †Initial.
*Yield includes bonus.
§In addition, the company has declared an increased dividend of 10 cents per share payable June 30, 1937.

Municipal Bonds

June 15, 1937

	Rate	Due	Bid	Ask.	Yld.
†Halifax	5	1961	110.00	112.00	4.20
Hamilton	5	1950	110.50	112.50	3.86
Montreal	5	1945	104.50	106.00	4.09
Ottawa	4½	1945	106.75	108.75	3.25
†Quebec	5	1959	101.00	102.50	4.82
Saint John	5	1950	106.50	108.50	4.16
†Toronto	4½	1955	110.00	112.50	3.55
†Vancouver	5	1950	88.00	93.00	5.78
Winnipeg	5	1944	97.00	101.00	4.83

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.60	4.80
Can. Invest. Fund	4.35	4.70
All Can. Trustee	14.35	14.85
Trans-Canada	...	14.45
Grouped Income Ex. Coup.	6.13	6.75
Can. Equity	13.00	....
Can. Int. Tr., modified	6.00	6.50
Do., unmodified	5.50	6.00

Listed Bonds

Week Ended June 14, 1937

	Int. rate	Due	High	Low	Range 1937 High	Range 1937 Low
Mtl. L. H. & P. Debs.	3	'39	501	501	501	501

Twin City Rapid Transit Pays on Pref. Arrears

A payment of $7 a share has been declared on the 7% preferred stock of Twin City Rapid Transit Co. This dividend will be paid July 15, 1937, to shareholders of record June 30.

At the end of 1936 the preferred stock was $21 a share in arrears. After this payment arrears will be reduced to $17.50 a share.

A. J. PATTISON Jr. & CO. Ltd
Established 1907
CORPORATION SECURITIES
Royal Bank Bldg. — EL. 5101
TORONTO

Foreign Bonds

Foreign dollar bonds in which there is Canadian investment interest are mostly quoted in New York. While space does not permit complete quotations on the numerous issues, the following are representative:

			1937 High	1937 Low	Close June 12
Argentine, A	6%	'57	102¾	100 11/16	100 11/16
Argentine	6%	'60	103¼	100½	101 11/16
Argentine	6%	'61	102¾	101	101 11/16
Australian	5%	'55	110½	104¾	107½
Brazil	6½%	'57	47⅞	35	39⅛
Buenos A (Prov.)	6%	'61	103	97¾	101¼
Buenos Aires	6%	'61	88¾	82½	88
Chile Rep. Sep.	6%	'61	24¾	18½	21
Colombia	6%	'61	38	28	28
German Govt.	5½%	'65	31½	20½	28¾
German (stamped)	7%	'49	34	27⅛	32½
Italy	7%	'51	93½	80	87½
Japan	5½%	'65	89⅞	79½	89
Norway	4½%	'56	105	101½	104¼
Peru Nat. L'n.	6%	'60	26	17¾	19¾
Sao Paulo	6%	'68	34½	24	28¾
Sao Paulo	7%	'56	35¼	25	29
Serbs, C. & S.	8%	'62	31⅞	25½	29⅝
Uruguay	6%	'60	70⅝	63⅝	69⅝

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surpass, pf.	$1.75	July 2	June 15
Assoc. Breweries	20c	June 30	June 15
Do., pfd.	$1.75	July 1	June 15
Acme Glove	12½c	July 2	June 19
Do., pref.	$1.62½	July 2	June 19
Amer. Cyanamid, A & B	15c	July 1	June 15
Brantford Cord., pf.	32½c	July 15	June 19
B.C. Elec. Pr. & Gas, pf.	$1.50	July 2	June 19
Belding-Cort.	$1	July 2	June 15
Do., pref.	$1.75	July 2	June 15
Bank of Canada	$1.12	July 1	May 31
Bk. of Nova Scotia	$3	July 2	June 15
Brazilian Tr., pfd.	$1.50	July 2	June 15
Brazilian Tr., ord.	50c	July 10	May 31
B. A. Oil	25c	July 2	June 16
Beatty Bros., 2nd pf.	$3.50	July 2	June 15
Bell Telephone	$2	July 15	June 23
B. C. Power, A	45c	July 15	June 30
Bralorne M.	10c	July 15	June 30
Do., extra	10c	July 15	June 30
B. C. Tele., 1st pf.	$1.50	July 2	June 16
Do., 2nd pf.	$1.50	Aug. 2	July 17
Bldg. Prod., A & B	35c	July 2	June 15
Burry Biscuit	*25c	June 21	June 14
Do., pref.	75c	June 21	June 14
Burt, F. N., c.	50c	July 2	June 10
Burlington Steel, c.	20c	July 2	June 15
Cariboo Gold	2½c	July 2	June 10
Can. Bread, 1st pf.	$1.25	July 2	June 15
Do., pref. (B)	62½c	July 2	June 15
Do., arrears	12½c	July 2	June 15
Carnation, 1st pf.	$1.25	July 1	June 19
Consumers' Gas	$2.50	July 2	June 15
Canada Life	$5	July 2	June 30
Canada Packers, c.	75c	July 2	June 15
Can. Gen. Invest.	12½c	July 15	June 30
Can. Light & Pr.	50c	July 15	June 26
Can. West'ghouse	50c	July 1	June 21
Can. Wire. Box, A	‡$1.37½	July 2	June 15
Can. Nor. Pwr.	30c	July 26	June 30
Do., pref.	$1.75	July 15	June 30
Canadian Oil, pref.	$2	July 1	June 19
Cosmos Imp., pref.	$1.25	July 15	June 30
Can. Cottons	$1	July 2	June 18
Do., pref.	$1.50	July 2	June 18
Can. Gen. Elec.	$1.50	July 2	June 15
Can. For. Invest.	40c	July 1	May 15
Do., extra	40c	July 1	May 15
Do., pref.	$2	July 1	May 15
Canada Cement, pf.	$1	June 21	May 31
Can. Perm. Mtge.	$2	July 2	June 15
Can. Canners, 1st p.	25c	July 2	June 15
Do. 2nd pfd.	15c	July 2	June 15
Central Pat. Gold	4c	June 30	June 15
Chartered Trust	$1	July 2	June 15
Coniarum Mines	5c	July 15	July 2
Celanese of Amer., part. pfd.	$3.50	June 30	June 15
Celanese of Am., c.	75c	July 1	June 15
Central C. Loan	$2	July 2	June 18
Can. Celanese	40c	June 30	June 15
Do., pref.	$1.75	June 30	June 15
Can. Fairbanks, pf.	$1.50	July 15	June 30
Can. Indust., A & B	$1.50	July 31	June 30
Do., pref.	$1.75	July 15	June 30
Can. Wallpaper, A & B	•$1	July 6	June 29
Crown Cork	20c	Aug. 16	July 31
Dom. Rubber, pfd.	$1.75	June 30	June 10
Dom. Glass	$1.25	July 2	June 15
Do., pref.	$1.75	July 2	June 15
Dom. Textile	$1.25	July 2	June 15
Do., pref.	$1.75	July 15	June 30
Dom. Envelope, pf.	$3.50	June 30	May 20
Dominion Bank	$2.50	July 2	June 19
Dominion Coal, pf.	38c	July 2	June 15
Dome Mines	50c	July 20	June 30
Do., extra	$2	July 20	June 30
East. Steel Prod., p.	$1.75	July 1	June 15
Europ. Elec., A & B	30c	June 21	June 14
Falconbridge N.	7½c	June 30	June 3
Ford Motor	25c	June 19	May 29
Fanny Farmer	25c	July 1	June 15
Fernie Brew., A	60c	July 2	June 15
Gachin Gold, pf.	17c	June 30	June 16
Do., com.	*30c	June 30	June 16
Goderich Elev.	25c	July 2	June 15
Goodyear Tire	63c	July 2	June 15
Do., pref.	62½c	July 2	June 15
Gould Pumps, pf.	‡$2	July 15	July 1
Gt. Lakes Pwr., pf.	$1.75	July 15	June 30
Gt. West Life	$5	July 2	June 19
Ham. Cotton, pf.	50c	July 1	June 15
Harding Carpet	10c	July 2	June 15
Huron & E. Mtge.	$1.25	July 2	June 15
Ham. Un. Theat., p.	$1.25	June 30	May 31
Hudson Bay M.	†75c	June 28	May 28
Hinde & Dauch	25c	July 2	June 15
Howe Sound	75c	June 30	June 21
Do., extra	75c	June 30	June 21
Howey Gold	2c	Aug. 2	June 26
Imperial Tob., ord.	10c	June 30	June 11
Indust. Accept. A	37½c	June 30	June 21
Inter. Nickel, com.	50c	June 30	June 1
Inter. Nickel, pf.	$1.75	Aug. 2	July 3
Inter. Power, 1st pf.	$1.50	July 2	June 15
Inter. Mining, com.	15c	June 21	May 31
Intercol. Coal	$3	July 2	June 22
Do., pref.	$4	July 2	June 22
Inter-State Rlty., A	28c	July 1	June 15
Invest. Found. pfd.	50c	July 15	June 30
Do., arrears	25c	July 15	June 30
Jam. Pub. Ser.	43¾c	July 2	June 16
Do., pref.	$1.75	July 2	June 16
Kelvinator. pfd.	$1.75	Aug. 16	Aug. 5
Lava Cap M.	3c	June 30	June 10
Landed Bkg.	$1.25	July 2	June 18
Lang, J. A., c.	17½c	July 2	June 15
Loew's, pref.	‡$3.50	June 30	June 19
McColl-Fron., pf.	$1.50	July 15	June 30
Mitchell, J. S., pf.	$1.75	July 2	June 15
Mtl. C. & D. Bk.	$3	July 2	June 15
Do., bonus	$1	July 2	June 15
Moore Cor.	40c	July 2	June 8
Do., pref., A & B	$1.75	July 2	June 8
Macassa M.	5c	July 2	June 12
Melchers, pref.	30c	June 30	June 15
Do., class A (old)	▲50c	July 2	....
Nat. Biscuit, c.	40c	July 15	June 17
Nat. Breweries	50c	July 2	June 15
Do., pref.	44c	July 2	June 15
Nat. Grocers, pf.	$1.75	July 1	June 15
National Trust	$2	July 2	June 19
Niag. W. Weav., c.	50c	July 2	June 15
Noranda Mines	$1.75	June 30	June 16
N. Star Oil, pf.	‡8¾c	July 2	June 15
N. S. L. & Pr., ord.	$1.75	July 2	June 16
Ont. Loan & Deb.	$1.25	July 2	June 15
Ogilvie Flour, c.	$2	July 2	June 18
Ottawa L. H.	$1.50	July 1	June 15
Do., pref.	$1.25	July 1	June 15
Ottawa Traction	50c	July 2	June 15
Penmans	75c	Aug. 16	Aug. 5
Do., pref.	$1.50	Aug. 2	July 21
Pressed Metals	50c	July 1	June 15
Pioneer Gold	10c	July 2	June 1
Para. Pictures, 1st pf.	$1.50	July 1	June 15
Do., 2nd pfd.	15c	July 1	June 15
Power Corp., pf.	$1.50	July 15	June 30
Do., 2nd pfd.	75c	July 15	June 30
Premier Gold	3c	July 15	June 15
Do., extra	1c	July 15	June 15
Page-Hersey	$1	July 1	June 15
Porto Rico Pr., pf.	$1.75	July 2	June 15
Real Est. Loan	$1	July 1	June 17
Russell Motor	$1.50	June 30	June 17
Do., pref.	$1.75	June 30	June 17
Reno Gold	3c	July 2	June 10
R. S. Silk, A	50c	July 2	June 15
Remington-Rand	25c	July 1	June 10
Sunshine Mining	75c	July 15	June 30
Sheep Creek G.	2c	July 15	June 30
Do., extra	1c	July 15	June 30
Steel of Can.	43¾c	Aug. 2	July 7
Do., pref.	43¾c	Aug. 2	July 7
Smith, How. Pap. p.	$1.50	July 15	June 30
South. Can. Pwr., p.	$1.50	July 15	June 19
Sher.-Williams, pf.	‡$1.75	July 2	June 15
Sylvanite Gold	5c	June 30	May 22
Stand. Steel, A pf.	75c	July 1	June 15
Do., arrears	75c	July 1	June 15
Sun Life	$3.75	July 1	June 15
Supersilk Hos., pf.	$2.50	July 2	June 18
Supertest Pete., c. & ord.	50c+25c	July 2	June 18
Do., pref. B	75c	July 2	June 18
Tamblyn	20c	July 2	June 18
Do., pref.	62½c	July 2	June 18
Tip Top Tailors	15c	July 2	June 15
Do., pref.	$1.75	July 2	June 15
Tor. Gen. Trusts	$1	July 2	June 19
Tuckett Tob., pf.	$1.75	July 15	June 30
Teck-Hughes	10c	July 2	June 10
Toronto Mtge.	$1.50	July 2	June 15
Twin City, pfd.	$7	July 15	June 30
United Secs.	50c	July 15	June 26
Viau, Ltd., pfd.	$1.25	July 2	June 19
Ventures	*12½c	July 5	June 21
Wabasso Cot.	25c	July 2	June 19
Do., extra	15c	July 2	June 19
West. Grocers	75c	July 15	June 20
Do., pref.	$1.75	July 15	June 20
Weston, Geo., c.	20c	July 2	June 19
Wr.-Hargreaves	10c	July 1	June 8
Do., extra	5c	July 1	June 8

†Interim. *Initial. ‡On arrears.
•Subject to approval of shareholders June 18.
▲Capital distribution under recapitalization plan; 50 cents to be paid July 2 and $3 paid early in 1937.

Crop Failures Retard Filling Bacon Quotas

McLean Urges Hog Expansion While U. K. Mart Open

CATTLE OUTLOOK

Crop failures have been the chief reason why Canada has not yet reached the British bacon quota allotted in the Ottawa agreements, states J. S. McLean in the annual report of Canada Packers.

"Since 1932, there has been every incentive to increase hog production," *says* Mr. McLean. "Prices have been high, and the grain-hog ratio favorable. And in spite of crop failures, production has greatly increased."

Only Half Filled

Mr. McLean points out that the British bacon quota allotted to Canada in 1932 and renewed for another three years last fall is the equivalent of 2.5 million hogs per year. Last year, bacon exports were slightly under 1.3 millions which, while far short of the quota, at the same time represented an advance of nearly 25% over 1935. The head of Canada Packers explains that at the normal hog breeding season last September, grain prices had risen to a high point, while hogs had recently receded, with the result that some cessation in hog expansion followed.

Hogs Are Profitable

Over recent years, however, he argues that marketing grain through the medium of hog production has proven more profitable than direct grain sale and he urges continual expansion of hog breeding. This point is stressed not only because, in the opinion of Mr. McLean, hog production has continued one of the most profitable of agricultural lines, but in order to secure a firm hold in the British bacon market.

"As Canadian shipments increased, imports from other countries were correspondingly cut down," he says. "Canada's policy should clearly be to establish herself firmly while these conditions last. That Canadian farmers have a grasp of the value of the bacon quota, is shown by their efforts to increase hog production. But there is an element in the situation to which they are likely to give less thought than its importance merits—that time is of the essence of the situation.

"Canada is assured another three years of the quota. Within that time it is most important:

"(a) That she take maximum advantage of the opportunity by filling the quota.

"(b) That she keep in mind constantly the time will certainly come again when Canadian bacon will have to compete, without preference, with bacon from Denmark and other European countries."

Must Reduce Cost

To hold the British bacon market in open competition with Denmark, Mr. McLean states that Canadian hog production costs must be reduced to nearer a parity with Danish costs which, because of better feeding and breeding methods, he estimates are about one-third lower than those of Canada.

Canada's cattle picture, according to Mr. McLean, has brightened considerably since the partial reopening of the United States market, following the trade agreement with that country last year. The problem, as Mr. McLean sees it, is an export market for at least 200,000 head per year.

Crop Failure Faces S. Sask.

But Wheat Elsewhere Now Making Good Progress

From Our Own Correspondent

WINNIPEG.—A startling contrast prevails between crop conditions in Saskatchewan and those in Manitoba and Alberta. In Manitoba the outlook continues to be remarkably good, with ample moisture to carry crops along for some time. Alberta conditions are satisfactory, and rains during the past week have remarkably improved the outlook in the south. Central and northern Alberta need more moisture soon, but the crop on the whole has made excellent progress so far.

But the rains which have abundantly blessed the adjacent provinces this spring have cut off abruptly at or near the provincial boundaries and Saskatchewan is facing the prospect of the most widespread crop disaster from drought yet experienced. Much of the wheat crop south of the main line of the Canadian Pacific Railway is definitely gone and much north of it is in precarious condition, with half a crop the best hope if abundant rains are yet received. Farther north in Saskatchewan, however, there are still large areas where excellent crops are possible, and where rainfall so far has been adequate. Probably half the wheat acreage of Saskatchewan has suffered from drought in varying degree, ranging from complete failure to a possibility of a light harvest.

Immediate relief measures are required. Livestock will have to be moved out if rains do not occur promptly as pasture and forage crops are rapidly drying up.

Int. Petroleum Output Is Lower in May, 1937

Daily average production of International Petroleum Co. for May was 94,684 barrels. This compares with a daily average of 96,095 barrels for April, 1937, and is substantially below the year's peak production of 98,940 barrels per day in February.

The May production figure is considerably higher than the 1936 average of 92,575.

Irving Oil Reduces Board

From Our Own Correspondent

MONTREAL.—Irving Oil, Saint John, N.B., has passed a by-law decreasing the number of directors to five, of whom four will constitute a quorum.

Week in Wheat

World Shortage Fear Again Market Factor

Damage in Saskatchewan and Poor Outlook in Europe Stimulate Early Buying — Vancouver Exporting Suffers

From Our Own Correspondent

WINNIPEG.—Wheat prices turned abruptly upward at the beginning of this week when full realization of the extent of southern Saskatchewan's crop disaster hit the market and it was realized that hope must be finally abandoned of a marketable crop from some millions of acres. Most of the buying was in October futures, and a good deal of it seemed to come from overseas, although the demand for wheat for immediate export was slow.

A further impulse was given to the market by unwanted rains in the far southwest of the United States, delaying harvest and threatening to impair the quality of the crop through excessive moisture. European news was also bullish, The Balkan countries are issuing estimates of wheat yields well below those of last year, suggesting a combined export surplus of only about 50 million bushels.

In the rest of Europe wheat prospects are reported only fair. There is even greater pessimism about the rye crop, especially in Germany, where this grain is used extensively for bread. Sufficient damage from drought has occurred in Russia to make any exports from that country unlikely. Recent rains, however, seem to have removed fears of a domestic shortage.

Sales Drop at Vancouver

Grain business at Vancouver is practically at a standstill. Wheat stocks in that port have been reduced to 3.7 million bushels. Further supplies are not expected until new crop wheat begins to move. Vancouver prices are at such a discount under those at the head of the lakes as to preclude shipments even from the nearest elevators in Alberta where the freight differential favors the western route.

Owners of stored wheat are reluctant sellers, because the discount on Vancouver wheat seems to them to have reached its maximum. The present price basis represents a loss on wheat earlier purchased at Alberta elevators on a different basis, and there is hope that the situation will improve.

• • •

Hand-to-Mouth

So far as overseas buyers are concerned, they are not attracted to Vancouver wheat in comparison with wheat shipped from Atlantic ports, even when the former is obtainable at a considerable discount. This is a matter of timing. Buying Canadian wheat from hand-to-mouth as they have been doing lately, exporters buy for rapid delivery.

Eastern stored grain is probably a month nearer Europe than Vancouver. Indeed, practically the only way wheat from Vancouver can get exported now or for the remainder of the season is for exporters to take a chance on shipping it unsold. While this method has prevailed frequently enough, when there was a prospect of selling afloat early in the voyage, there is danger now of getting wheat into distress position, that is, near or at overseas ports, before a sale can be made.

• • •

U. S. Exporting Again

The United States is once more in the export picture. For the second successive season, winter wheat farmers are having a big crop, and growers and railroads in the southwestern states are jubilant.

Last summer witnessed the first real harvest in five years and money came pouring into a district that had been on or near relief for a considerable period. Heavy purchases of motor cars, radios, furniture, clothing, housing, travel and farm supplies and equipment immediately followed threshing. The same sort of revival has been prayed for in southern Saskatchewan, but so far has not occurred, and every day of dry weather this month makes its probability this season more remote.

The American winter wheat crop this year is estimated at close to 650 million bushels, with spring wheat placed at 175 to 200 millions. Total estimate is from 825 to 850 million bushels against an actual total of 625 millions a year ago. As normal consumption is placed at about 650 millions, there are prospects for a United States exportable surplus of 175 to 200 millions against an actual average import of about 50 millions in each of the last two years.

• • •

Rust Fear Remains

The rust situation has not changed. There is a widespread infestation in central winter wheat areas of the United States. It is not likely to do serious damage there as the crop is well advanced toward maturity. If weather favors its rapid development, however, it may spread to the spring wheat states and across the border into Manitoba.

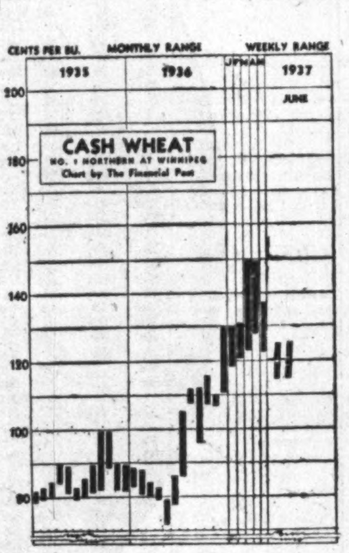
Can. Fairbanks-Morse Sales Show Advance

From Our Own Correspondent

MONTREAL.—Sales of Canadian Fairbanks-Morse for the year to date are reported to have shown an improvement over the corresponding period last year. The gain has been particularly marked in the Montreal and Toronto areas, which normally account for a major share of the company's business. The Maritime trade has been moderately better and, with the exception of Saskatchewan, gains have been reported in the West.

Recently there have been signs of a lull in western buying, presumably in reflection of the increasing fears of a short crop, but in the east sales have been maintained at a satisfactory level.

Wheat Prices



(Cash Quotations)

	For Week June 15 High	For Week June 15 Low	Prev. Week High	Prev. Week Low
1 Man. Hard	1.22⅝	1.15⅝	1.21⅛	1.15¼
1 Northern	1.22⅝	1.15⅝	1.21⅛	1.15¼
2 Northern	1.20⅝	1.13⅜	1.17⅝	1.12¾
3 Northern	1.19⅛	1.11⅝	1.17⅛	1.11¼
4 Northern	1.15⅛	1.07⅝	1.12⅝	1.07¼
5 Wheat	1.08⅛	1.00⅝	1.05⅝	.99¾
6 Wheat	1.03⅛	.95⅝	1.00⅝	.94¾
Feed Wheat	.88⅛	.79⅝	.80⅝	.75¾
Vancouver: Week to June 14:				
1 Northern	1.16⅞	1.11⅝	1.15⅝	1.10¾

Competitive Export Prices:

June shipments—	Week to June 12 High	Week to June 12 Low
No. 1 North. (afloat)	unquoted	
No. 1 North. (Atlan.)	1.38⅝	1.33¼
No. 2 North. (Atlan.)	1.36	1.30¼
West Australian (afloat)	1.33¼	1.31¾
Australian	1.32½	1.29⅝
Indian (new crop)	1.28¼	1.25½
U. S. Soft White Pac.†	1.30¼	1.26⅝
U. S. 2 Hard Winter‡	1.34	1.28⅝

†Sept. ‡Aug.

Winnipeg Grain Futures

Week to June 15, 1937

Crop year from Aug. 1, 1936 High	Crop year from Aug. 1, 1936 Low		Open June 10	High for week	Low for week	Close June 15
		Wheat				
1.47	1.03¾	July	1.17	1.21⅞	1.14½	1.22⅛
1.31¼	1.04⅛	Oct.	1.10¾	1.16½	1.08⅞	1.16½
1.15	1.07	Dec.	1.10½	1.15	1.07⅛	1.15
		Oats				
.60¾	.43⅝	July	.54⅛	.56	.52½	.55¾
.54¾	.41	Oct.	.42⅜	.44⅛	.41¾	.43⅞
.40½	.38¾	Dec.	.39⅝	.40⅛	.38¾	.40⅜
		Barley				
.82⅛	.56¾	July	.62⅝	.64¾	.60¾	.64½
.75¼	.51	Oct.	.55	.59¼	.54½	.58⅜
		Flax				
2.05	1.61½	July	1.66	1.67¼	1.61½	1.66¼
2.01	1.61	Oct.	1.65	1.66	1.61¼	1.64¾
		Rye				
1.19	.78¼	July	1.05	1.16⅛	1.03½	1.16⅛
1.04½	.75⅞	Oct.	.78⅝	.83⅝	.75⅞	.82⅞
.81⅞	.74	Dec.	.79	.81⅞	.74⅛	.80⅞

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The Millers of Purity Flour have built a Canada-wide reputation on the sound foundation of Quality. By the most exacting test of all — the goodwill of housewives and bakers throughout Canada — this Company has held its leading position for over thirty years.

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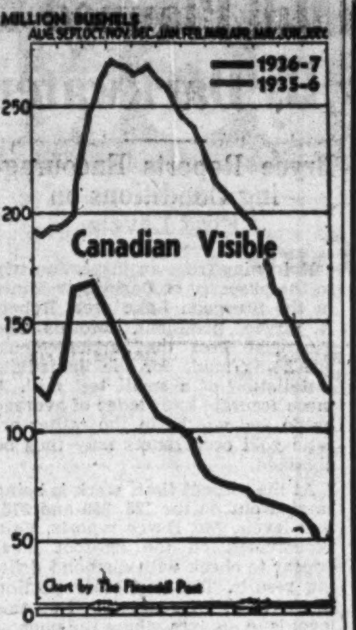

DOWN

Despite the fact that first United States new crop wheat is now moving out of southern ports for Europe, Canada continues to maintain weekly sales of around three million bushels. This liquidation and American selling, however, appear to have had no effect whatever on current prices which have fluctuated in sympathy with weather conditions in the Canadian and American spring wheat belts. Canadian visible is now down to practically 50 million bushels with prospects of it dropping to well below 40 million before the end of the present crop year on July 31.

Details in bushels of visible and exports are as follows:

	Canadian Wheat in Store	
Week of June 11	Week Previous	Last Year
51,318,000	55,314,000	156,185,000
	Export Clearances*	
Week of June 11	Week Previous	Last Year
3,762,793	2,784 864	5,916,072

*Plus U. S. imports.

Flour Exports Fall Sharply

But Unit Price is Best in Four Years — Wheat Export Shrinks

Volume of flour exports in May, as just compiled by the Dominion Bureau of Statistics, was the lowest for this month in the last four years but total value was the highest. Average price per barrel was well above the $6 mark or over $2 higher than for May, 1936.

Wheat shipments also showed a sharp decline in May as compared with the same month in immediately previous years. This decline, of course, is due to the fact that a year ago Canada was liquidating a very large carryover which now has been reduced to less than normal proportions.

Figures in detail are as follows:

Flour Exports

	Price per Bbl. $	Quantity Bbls.	Total Value $
May			
1937	6.10	348,866	2,130,325
1936	3.99	448,653	1,791,174
1935	3.87	383,271	1,488,004
1934	3.42	481,725	1,652,024
Apr., 1937	5.91	285,724	1,688,655
12 Months Ended May			
1937	4.80	4,675,782	22,477,441
1936	4.01	4,928,634	19,773,870
1935	3.79	4,774,609	18,123,659
1934	3.55	5,642,816	20,077,535

Wheat Exports

	Price per Bus. $	Quantity Bus.	Total Value $
May			
1937	1.31	8,026,507	10,529,311
1936	.79	27,316,983	21,674,113
1935	.84	11,989,891	10,081,013
1934	.71	19,023,770	13,562,154
Apr., 1937	1.38	3,617,803	5,011,276
12 Months Ended May			
1937	1.03	205,751,476	212,238,006
1936	.82	195,996,233	160,971,667
1935	.81	160,127,417	130,858,040
1934	.69	172,201,053	119,541,958

Commodities

Minor price advances in cattle, hogs, sugar, silk and wheat have not altered the slightly downward curve of the commodity price cycle. Canadian indices are almost a point under figures for the previous week and declines of about the same extent are shown by leading world commodity barometers.

The May index of Canadian retail prices at 82.8 reveals a fractional gain over the April level, but even this is offset by a corresponding decline from 86.1 to 85.4 in the wholesale index.

Inactive trading is narrowing sugar price fluctuations. Rubber prices are easier under the threat of new labor troubles in the U. S., and cotton prices are being influenced chiefly by the outlook for a new crop of large size.

Many observers point out that estimates of a U. S. cotton crop of 14 million to 15 million bales may be unduly pessimistic from a price standpoint because it is still too early to accurately estimate final yields.

Comparative commodity indices follow:

PRICE RANGE

	Latest week	Previous week	Same week last yr.
Cattle	$9.25	$8.75	$5.75
Hogs	9.75	9.65	9.35
Copper, lb.	.14	.14	.09½
Cotton, lb.	.1248	.1324	.1180
Rubber, lb	.1875	.1981	.1568
Sugar, raw, lb.	.0340	.0337	.0375
Silk, lb.	1.99	1.97	1.65
Wheat Man. (bu.)	1.17⅝	1.15¼	.79⅞
Coffee, lb.	.09⅝	.09⅝	.07
Hides	.14¾	.15⅛	.11¼

Weekly Indices

	Latest week	Previous week	Same week last yr.
N. Y. Annalist	140.9	142.4	120.6
Fishers'	92.0	92.6	82.3
N. Y. Journal of Comm.	89.5	90.8	79.5
Crumps (Brit.)	83.0	84.1	68.0
U. S. Labor	87.4	87.4	78.4
Canada (D.B.S.)	84.4	85.1	72.0

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (May)	82.8	82.2	80.1
W'sale (May)	85.4	86.1	71.8
United States (Apr.)	144.4	143.5	123.8
Gt. Brit. (Feb.)	91.0	90.1	80.3

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1929 = 100 base. U. S. is Annalist 1913 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto: Copper-electrolytic, New York: Silk—Japanese, 13-15, New York: Sugar — 96 degrees centrifugal c/f New York: Wheat — No. 1 Man. North. Ft. W.-Pt. A. Basis: Hides—No. 1 packer light native cows: Hogs—select bacons, Toronto.

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Week in Mining

Rate of Production Of World Gold Slows

New Trend May Have Important Bearing on Future of Gold Prices — The Cost Factor

Reports on world gold production for the first few months of 1937 reveal that the rate of increased production has been slowing up. If this slowing up is continued, it may nullify fears that the high price for gold is resulting in a dangerous increase in production.

Recently released figures show that in the first four months of 1937, world gold production was 8.8% higher than 1936. In contrast, production in the first four months of 1936 was 13.5% over a similar period in 1935.

In Canadian production, this slackening has been also evident. Production in the first four months of the current year in Canada was about 1,285,000 fine ounces, as against 1,133,000 fine ounces in 1936 and 959,000 fine ounces in 1935. In percentage figures, Canadian production this year has been 13.4% over 1936, in which year production was 18.1% over 1935.

In the following table, the percentage increases over the corresponding four-month period a year ago are traced for the three major world gold producers, excluding Russia:

4 Months	Canada	U.S.	South Africa	World
1937	13.4%	8.3%	5.6%	8.8%
1936	18.1	21.3	5.7	13.5
1935	1.7	15.3	*0.4	5.0
1934	*1.6	7.1	*5.7	2.2
1933	*0.4	13.7	*2.2	*2.0

* Decrease.

Reassuring Trend

This marked decrease, general enough to be branded a trend, is reassuring to those who fear that increased production is one of the big menaces to future gold prices. Coupled with the fact that the menace of hoarded gold has been rapidly reduced by dehoarding, decrease in the rate of production would tend to the belief that the world will find little difficulty in absorbing the gold offered to it.

Cause for this slackening in the rate of increase appears to lie in higher costs generally prevailing. It is known that a large part of the increased production following on $35 gold came from low grade or high cost areas, where the new gold price introduced a margin of profit which did not exist before. Such areas, of which Canada has her share, will obviously be first affected by this tangible reality of higher production costs, or reduced purchasing power of gold.

Similarly, nearly every large gold producer, high or medium grade, has patches of low grade ore which were not commercial under $20.67 gold, but were commercial in the first few years of the new gold price. This margin of profit on this ore has also been reduced, making some of it non-commercial, and therefore no longer ore.

These factors are believed to be responsible for the slackening process noted.

* * *

Trail Labor Relations

On another page is an article covering the impressive manner in which the workers and management of Trail have, for nearly 20 years, pooled their interests, and proved to the world that the interests of shareholders, management, and workers are one and the same thing.

The question immediately arises: "Can the Trail system be utilized in other mines, and in other industries?" In the answer to this question lies the real significance of what is going on in this British Columbia community.

In the first place, it is apparent that, in view of the troubled labor conditions existing in other centres, the present time may not be propitious for introducing such a system. Nobody fears the management, even bearing gifts, more heartily than labor. The Trail system, as Dr. Blaylock would probably be the first to agree, must be initiated by the men, as much as by the operators and owners.

In this regard, an incident which happened some years ago is illustrative. In this year, the president of a large eastern gold mine was interested in the Trail method, and spoke to certain officials of Consolidated Mining & Smelting Co. about introducing it in the east. He planned to visit Trail, study the method, and then install it in his own mine.

This very suggestion indicated that he had not grasped the spirit of the Trail method. He was advised that a much more satisfactory course would be to have his miners elect a committee from among themselves, pay their expenses west, let them study the method, and, themselves, introduce it in the eastern mine.

If he had seen his way clear to do this, it is doubtful if the market price of his company's stock would be as greatly affected as it is today by fear of labor trouble.

* * *

Premier's Position

Recent weakness in the stock of Premier Gold Mining Co. is being attributed to uncertainty as to whether this company will continue to pay, along with the regular three cent dividend, the bonus of one cent per share which has been paid since 1935. Reason for this uncertainty appears to be the fact that on May 15, 1937, Premier ceased to benefit directly from the operation of the Premier Mine, which has been turned over to Silbak Premier.

Premier has, of course, declared this bonus payable with the three cent regular quarterly dividend on July 15. It is subsequent payments which appear to be mildly worrying the public.

It should not be forgotten, however, that Premier still owns 50% of the outstanding Silbak shares; that income from the Australian properties should soon be available; that the speculative possibilities of Silbak are considered promising; and finally that at the end of last year, Premier had a working capital of over $2 millions, which would, in a pinch, help tide the company's dividend over the period prior to receiving income from Australia. It should also be pointed out that in the past, Premier has derived a large income by way of profits from the sale of some of its many properties.

* * *

Index to Mining

Cautious advances in gold stocks followed the establishment of a price of $34.72 for gold by British authorities on the London open market on June 4, and price averages registered moderate increases on four consecutive trading days. Then they turned downward again, losing on June 10 the greater part of earlier gains. Base metals recorded advances in four out of the five sessions of the week and unlike gold issues, closed firm in the final day's trading. Sales volume remained at very low levels. The Dominion Bureau of Statistics' general price index for 24 mining stocks was 139.3 on June 10, as compared with 137.8 a week earlier. The gold section moved up from 107.9 to 108.8, and base metals from 261.4 to 265.6. Weekly averages behaved somewhat differently, with the general index up 1.2 to 139.9, golds up 1.8 to 110.1, and base metals down 1.0 to 264.1.

Mill Planned By Darkwater

Bryce Reports Encouraging Conditions on First Levels

Returning from an inspection trip to the property of Darkwater Mines in the Sturgeon Lake area, Robert A. Bryce, president, informs The Financial Post that arrangements are being made for the immediate installation of a small test mill. A more accurate knowledge of average grade and widths in the rather erratic gold occurrences may thus be obtained.

At the present time, work is being carried out on the 125, 250 and 375-foot levels, Mr. Bryce reports. Vein occurrences on the 125-foot level appear to check with diamond drilling results. The particular portion of the vein so far developed on this level is in an area where the poorest diamond drill results were obtained, but within the past few days the sampling at both the east and west faces has been giving better results. Drill holes immediately west of the present west face were much better, and Mr. Bryce expects that the drift will bear out these results.

On the east face at this level, results have also been satisfactory, with the good diamond drill holes still ahead. On this level there are several shoots of ore, but it is believed that the best results will be obtained when the workings have been extended into those areas yet to be explored.

Continuation Confirmed

Work on the 250-foot level, both east and west of the shaft, have served to confirm continuation of the conditions existing on the 125-foot level, and on surface.

The 375-foot level so far developed does not look as favorable as the first and second levels, Mr. Bryce states, and assays are not expected to equal those obtained above. The company plans therefore to concentrate work on the two upper levels, for the next two or three months, in order that data may be collected to aid in the development of the lower levels.

Surface exploration is also continuing so that by the end of the present season, other veins outcropping on the property will have been carefully prospected. As practically no work of importance has been carried out on these other outcrops, no detailed information concerning them can be made available at the present time.

Sturgeon River Gold Pours Two Bricks

Since the new mill went into operation, Sturgeon River Gold Mines has poured two gold bricks. The first, at the end of April, was 937 ounces of gold valued at $32,795 and the second at the end of May was over 700 ounces of gold.

Acidization Success Stirs Turner Work

Method Now Proved Successful at Westside Well

From Our Own Correspondent

CALGARY.—Following successful application of acidization to Sterling-Pacific No. 3 well, in Turner Valley, similar treatment tried by officials of Westside Royalties Ltd. has also proved successful, causing oil men to predict that this new method may completely change the Turner Valley picture.

As reported in a recent issue of The Financial Post, Royalite's Sterling Pacific No. 3, which was a small crude producer, had its production stepped up from about 48 barrels a day to more than 350 barrels a day as the result of the acid treatment. This led to the decision of Westside to try similar treatment in its well southeast of Foundation on the west flank of the valley. The result was an increase in yield from 225 barrels to more than 400 barrels a day. Actual production on two days following the test was approximately 445 barrels a day.

The Foundation Co., whose crude producer on the southwest flank of Turner Valley has been producing not more than 225 barrels daily, has announced the well will be treated with acid as soon as possible in view of the remarkable success of the acid treatment of Westside, only a short distance away from the Foundation well.

Companies with naphtha producers in Turner Valley will also try out the acid treatment so successful in west flank crude wells. Among naphtha wells scheduled to be acidized are Sterling Royalties, Mercury, Hylo, Century, Carleton and Spooner.

More Effective Than T.N.T.

The acid poured into the well eats into the porous limestone and thereby makes it easier for crude oil or naphtha laden gas to enter the hole from the formation. The acid treatments have been found much more effective than shots of nitro-glycerine.

As a result of the increase in production at Westside, Turner Valley can claim five large producers on the west flank of the field, one fair producer, and only one failure, and that, Newfold Royalties, was located on the eastern fringe of the west flank crude structure. The five large crude producing wells are Royalite-Sterling Pacific 4 (about 1,000 barrels a day), Royalite-Sterling Pacific 3 (about 350 barrels a day), B. and B. (about 650 barrels a day), Turner Valley Royalties (about 570 barrels a day) and Westside Royalties (more than 400 barrels a day). The fair producer is Foundation which is yielding about 225 barrels a day, expected to be "stepped up" after an acid treatment.

Stimulates Market

The success of acid treatment of Turner Valley crude producers stimulated the Alberta oil stock market and prices rose sharply. Another factor influencing the market was a spectacular "show" staged by Richland 3, the nearest well to the limestone on the west flank of the valley, and the imminence to completion of Royalite-Sterling Pacific 5 and Monarch Royalties, also located on the west flank.

Drillers at Richland 3 were bothered by heavy showings of crude oil from the Dalhousie sands. Casing was run to shut off the oil from this upper formation while drilling continued to the limestone. The oil, however, seeped into the well and by the time the casing was run, but not cemented, there were 4,500 feet of crude oil in the hole.

A swab was run and gas pressure suddenly hurled the oil high up in the derrick. The well later settled down and the Richland crew are now drilling the well to the lime, expected at the shallow depth of 5,700 feet, only about 150 feet away.

Strike Expected

Monarch Royalties, the deepest well on the Turner Valley structure, is drilling below 6,000 feet and the limestone is expected at about 6,500 feet. A strike at this well would prove up large acreage held by Okalta Oils, Limited and would extend the crude oil area far to the west of the "crude oil production line" formed by Royalite Sterling wells on the north and Westside on the south. A strike at Richland 3, on the other hand, would not be of such great importance geologically in view of its location just east of the Turner Valley Royalties crude discovery well.

The Board of Public Utilities of Alberta has handed down a decision giving Okalta Oils right of entry on section 30 due west of the Turner Valley Royalties and B. and B. wells. Preparations are being made now to spud in Okalta No. 6 in this section, the oil and gas rights of which are held by Okalta.

Seven wells are now being drilled on Okalta acreage on the southwest flank of Turner Valley. They are: Monarch, Firestone, Brown 1, Brown 2, Sunset, Royal Canadian and Spy Hill. Okalta will receive 10% gross royalty in each case if production is not more than 500 barrels a day and 15% gross royalty if production exceeds 500 barrels a day in each case.

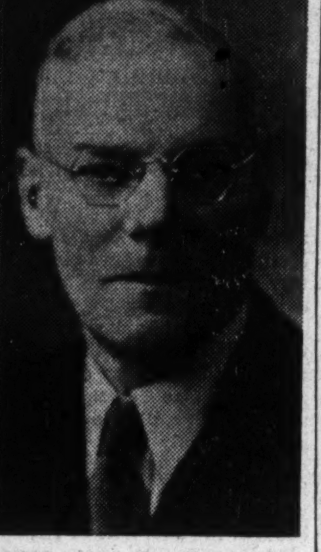
Quebec Manitou Gets Good Cores

A. W. Jeckell, consulting engineer for Quebec Manitou Mines, in Bourlamaque Twp., Quebec, estimates that ore to the 300-foot level exceeds $4.5 millions in value, on the basis of drilling results obtained from this property.

This estimate is based on a length of 200 feet, but ore is indicated over a length of 1,500 feet, The Financial Post is reliably informed.

Quebec Manitou is capitalized at 3 million shares, of which about 1,996,305 have been issued. The company succeeds Golden Manitou Syndicate, each unit of which will eventually be exchangeable for 100 shares of the company.

At the property, a 3-compartment shaft will be sunk to a depth of 525 feet, and three levels opened at 200, 350 and 500 feet.



MINES SECRETARY

J. P. de Wet, above, has recently been appointed secretary of the Manitoba Chamber of Mines.

Nipissing Mines Takes Option on Green Creek

Winnipeg.—Nipissing Mines has taken a working option on Green Creek Mines, adjacent to the successful Gunnar Gold operation. Nipissing's agreement calls for total payments of $500,000 for a 75% interest in the property, the money to be spent in development.

Shareholders of Green Creek at a special meeting presided over by Ralph Jackson as president and Brian J. O'Day as secretary, ratified the arrangement which had been made by the directors.

Coniagas Mines Forms Kenora Nickel Mines

Coniagas Mines has formed a new company, Kenora Nickel Mines, to take over and develop the company's Empire Lake nickel property. The new company has an authorized capitalization of three million shares of which one million will be issued as vendor stock. Coniagas holds a 50% interest in the vendor stock as well as an option on the treasury stock.

Drilling on the property has been suspended and a geophysical survey is being made.

Doreva Gold Mines—Reports that lateral development of the vein on the 150-ft. level is progressing favorably. No. 1 vein was cut 25 ft. from the shaft on this level, its first 3 ft. showing considerable free gold; the remaining lengths of 5 and 6 ft. were highly mineralized and showed free gold, respectively. Drifting to the west on the occurrences is going ahead, while drifting to the east has been stopped to allow the crosscut to proceed. It is anticipated that another 35 ft. of crosscutting will be required on the 150-ft. level to reach the next vein.

Mining News Concentrates

Calder Bousquet Gold—Is not at present working on its Bousquet twp. property, though a vein has been traced on surface for about 1,000 ft., according to Salter Hayden, president. The company plans to call a directors' meeting shortly to consider its future course of action.

* * *

Coin Lake Gold—Southwest of Red Lake Gold Shore, has resumed work on its property and is doing surface exploration on Nos. 1 and 6 zones, it was stated at the annual meeting of shareholders. Balance sheet as at Dec. 31, 1936, showed current assets at $97,682, as against current liabilities of $679.

* * *

Delosha Porcupine Mines—Has completed a geological survey of its two Shaw twp. properties. Recommendations of the report to follow receipt of sampling results will govern further work. Camp enlargement on the No. 1 property is nearly complete, and 12 men are exploring the main vein on the surface.

* * *

Electra Porcupine—Is now carrying on a geophysical survey at the property in German and Macklem twps., Porcupine mining division. Drilling was continued until May 24, when the change was made from the old to the new basis of assessment work. The company is awaiting a report from its consultants before deciding on the method of future development work.

* * *

Frontier Red Lake—Expects to resume work at its Red Lake property by about Aug. 1, according to A. J. Doane, president.

* * *

Martin McNeely—Has taken up no new properties since work stopped on the main 14-claim gold prospect in Dome twp., Red Lake area, it was stated at the company's annual meeting. H. Stockdale, president, said in the annual report for 1936 that the funds now in the treasury will be used to secure a property elsewhere.

* * *

Denison Nickel Mines reports that sampling of the first crosscut on the 200-foot level over a zone 41.2 feet long, of which length 19.5 foot was sampled, shows that copper content was 1.66% and nickel 1.40% for a total metallic content of 3.06%.

* * *

Starratt-Olson announces that a prospect shaft will be started shortly at the property southwest of Madsen Red Lake Gold Mines to test surface indications.

* * *

Matona Gold Mines in Gowganda district, Matachewan mining division, now has its shaft down over 200 feet on its way to 500 feet. Lateral work will start on the 375-foot and 500-foot levels as soon as sinking is completed. The objective is expected to be reached within two months.

* * *

Upper Canada Mines is understood to have completed about 700 feet of crosscutting since shaft sinking was stopped at the fourth or 500-foot level.

* * *

Wascanna Mines—Had current assets of $8,237 as at April 30, 1937, compared with current liabilities of $5,301, according to the balance sheet presented to the annual meeting of shareholders by J. H. Colville, president. The company is exploring five zones this season at the property in Tashota district of Ontario.

* * *

Rajah Red Lake proposes to do several thousand feet of diamond drilling in the northern section of its Red Lake property to get a clear picture of the geological possibilities.

About 450 feet to the east, sampling in 14-A trench gave values of $17.15, $39.90, $43.05, $102.25 and $51.45 in successive channel samples, each across five feet.

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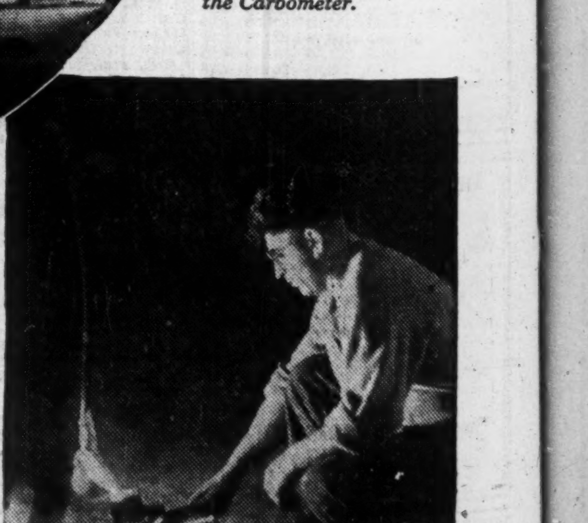

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Air Rush On At Athabaska

News of New Finds Stirs Northern Saskatchewan Field

From Our Own Correspondent

REGINA.—Early summer and the opening of air and water navigation in Saskatchewan mineralized areas has resulted in the flow southward of mineral find reports ranging all the way from average to glowing.

Discoveries are being made every so often in the Goldfields, Lake Athabaska territory and also in a more southerly location, Lac la Ronge, 150 miles north of Prince Albert. Before the summer is over a large area of the Lac la Ronge territory may become news if early reports can be taken at face value.

Adolph Studor, prospecting at Dog Lake, 24 miles from Lac la Ronge reports analysis of grab samples from his find shows gold ranging from $11.55 to $105.35 per ton. Assays were made by E. W. Widdowson, Nelson, B.C., government analyst.

Reports of this type will lure many, and airplane companies operating from Prince Albert expect to do a land office business until a lull in "discoveries" occurs.

Immediately following announcement of the Studor find an air stampede took place and much of the vicinity around the original staking was snapped up. Planes were kept busy two days with traffic to the Dog Lake region.

With more airplanes than ever before available for transportation to the Saskatchewan mineral zones northern skies will hum with the noise of big and little craft ferrying prospectors or supplies from the Prince Albert base.

Athona and Consolidated Mining and Smelters, Limited, the two most active companies in Athabaska field, plan a heavy summer's work and considerable equipment will be transported from Waterways railhead to Goldfields for a hydro-electric station for Smelters and for Athona as well as other companies operating in the field.

Earlier reports from Goldfields stated navigation along Athabaska River was exceedingly slow due to low water. If this condition continues there will be some delay experienced in moving heavy machinery.

Placer Development Ltd. Units Report Progress

From Our Own Correspondent

MONTREAL. — Placer Development Ltd., reports that for the three months ended May 31, Pato Consolidated Gold Dredging (whose shares were recently placed on the Canadian market) dredged 684,000 cubic yards recovering 4,223 ounces of fine gold, equivalent to $147,805. As power permitted, 29,500 cubic yards were experimentally hydraulicked for recovery of 423 fine ounces equivalent to $14,770.

Due to delay in crossing the river the recently completed No. 3 dredge will not now reach the dredging area until August. The field erection of dredges No. 4 and 5 and the completion of the large hydro-electric plant is proceeding according to programme.

For the same quarterly period, Asnazu Gold Dredging, another subsidiary of Placer Development, handled 474,000 yards, recovering 7,703 fine ounces, equivalent to $269,605

Bulolo Gold Dredging Recovery Lower in May

From Our Own Correspondent

MONTREAL.—Bulolo Gold Dredging reports May production of 7,746 ounces of fine gold. This contrasts with 8,390 ounces in April and 11,196 ounces in May, 1936.

Estimated working profit last month totalled 6,156 fine ounces equivalent to $215,460 in Canadian funds, taking gold at $35 an ounce. The working profits in the previous month amounted to $212,345 and in May a year ago to $267,190.

Big Missouri Mines Elects Board for 1937

From Our Own Correspondent

MONTREAL.—Big Missouri Mines has elected the follow directors and officers for 1937: Gustave H. Rainville, president and director; W. M. Archibald, vice-president and director; Winfield P. Rapley, secretary-treasurer; Thayer Lindsley, Aime Lafontaine, William Harty, J. J. Gregory, Duncan MacVichie, Messmore Kendall, Armand Collet, directors; J. M. Roe, assistant secretary and assistant treasurer.

Options

Pursuant to listing regulations, the Toronto Stock Exchange has been advised of options and underwritings upon treasury shares of the following companies:

Goodfish—Option agreement dated Dec. 17, has been amended by postponing April and May installments and by reducing all monthly installments from $20,000 to $10,000.

Reeves MacDonald—Under agreement of Mar. 24 and 25 has issued 100,000 shares in consideration of $100,000 and $25,000 has been received as consideration for option on 220,000 shares at $1.82 per share. The company has issued 180,000 shares to Pend Oreille Mines & Metals in full satisfaction of all indebtedness.

Payore Gold Mines—Has received the May 15 and June 15 installments of $10,000 in payment for 88,889 shares at 22½ cents per share under option agreement of Mar. 17. The next installment of $10,000 is payable July 15.

Sherritt Gordon Mines — Reports that 133,075 shares were subscribed for by 3,344 shareholders at $2.75 per share during the recent offering of rights.

Roche Long Lac Gold—Has not received payment due May 19 under option agreement dated April 8, comprising 100,000 shares at 30 cents and 50,000 shares at 35 cents, the option therefore being terminated by default. Total issued capital is 2,345,005 shares.

East Malartic — An additional 15,000 shares have been taken up at 80 cents per share under option agreement dated Oct. 31, 1935. The balance of option covers 103,334 shares at 80 cents. Total issued capital is 2,896,666 shares.

Partanen Malartic—Has received the installment due May 25 under underwriting and option agreement dated Dec. 9, 1936, covering 300,000 shares at 20 cents. Total issued capital is now 1,800,006 shares. Next payment under option is due by August 25 and covers 200,000 shares at 25 cents per share.

Monte Carlo Exploration Gold plans shortly to explore its 18-claim group in Vogt twp., Timagami Forest Reserve. After the erection of camps about the end of June a campaign of surface work and test pitting will be undertaken and a plant consisting of Diesel engine and air compressor purchased.

L. B. United Plans For New Capital

May Form New Company for Financing Further Development

Directors of L. B. United Mines, whose principal property is the Centennial Mine in Michipicoten district, plan formation of a new company, capitalized at three million shares, to succeed it and provide finances for further development if a proposal now before them is carried through.

In the meantime, shareholders of L. B. United have appointed a committee of seven to confer with the directors on the company's future policy. The Financial Post is officially informed that at an earlier meeting shareholders, voting without proxies, approved the plan to incorporate a new company to permit of an exchange of shares on the basis of three new for one old, but that this plan will have to await the calling of a general meeting before being sanctioned.

If acted upon, the above proposal would leave roughly 1,800,000 shares in the treasury and not affect L. B. United's holdings of Lancour stock. The company's development and production programme stopped May 10 last after a month's production had yielded a recovery of only $2,399, so that the expected monthly recovery of $10,000 or better did not materialize A. C. McLean, secretary-treasurer, said that only $9,200 of a $52,000 first mortgage bond issue had been subscribed by shareholders.

News Concentrates

Alkenore Buffalo has to date completed over 6,000 feet of diamond drilling in 18 holes on the property near Sioux Lookout. A progress report states that a definite ore shoot over an average width of 8.5 feet to a depth of 160 feet for a length of 300 feet has been indicated in the vein known as No. 3. The grade is described as "commercial" but is not specified.

It is reported that a new vein paralleling No 3 has been disclosed and traced for 800 feet. Test-pitting, trenching and pitting is now in progress to investigate this showing further.

* * *

Cassels Duval Mines in north Bousquet twp., Quebec, reports that its second deep drill hole returned the following results: $35.70 across 2.4 feet, $16.45 across two feet, $9.10 across 3.5 feet, $21.35 across five feet, $7 across five feet, $1.75 across five feet, $14.35 across four feet, $4.55 across 11.3 feet, $5.25 across nine feet, and $4.90 across four feet.

Results from hole B-3 show $2.39 across 30 feet of core from 45 feet down, $4 across 26.5 feet of core from 93.5 feet down, $3.15 across 20 feet from 250 feet down the hole and low values at three other deeper points. Nine shallow holes have explored a length of 1,100 feet, and three deeper holes are reported to show interesting widths and values.

* * *

Continental Kirkland is dewatering its west shaft at the property east of Toburn, and in three weeks of pumping has reached the 800 foot or bottom level. As the workings on this level are quite extensive another three weeks may be required to clear the water down to the tracks.

Toburn, Premier and American Smelting and Refining each share a third of the cost of financing Continental Kirkland, with options on control of the company. The company's financial report showed $88,820 cash in the bank, with $1,068 owing. New interests have taken up 125,000 shares of treasury stock and paid in $25,000.

Investments were sold to bring in $65,195, and it is pointed out that the new interests had bought 493,000 previously issued shares at 20 cents per share, and that there is roughly 140,000 odd shares reported as allotted but not issued.

* * *

Central Cadillac Gold is said to have encountered good ore on the 1-2 east drift at the 100-foot level, one assay running $2.26 over six inches, with the face still well mineralized, showing fine free gold.

* * *

Eva Lake Gold Mines reports that it has intersected the No. 1 vein at the property in Beardmore district. The vein was cut about 140 feet from the starting point of the tunnelling operation and at this point is estimated to be 80 feet from the surface. A station is being cut and drifting both east and west has begun.

The No. 1 vein is believed to be the extension of the Powers vein being developed by Northern Empire, and crosses on to Eva Lake ground from the adjoining Northern Empire mine.

Toronto Lists Brown Oil Co.

Corporation Has Three Wells Under Way in Turner

Brown Oil Corp. which has and is taking an active part in the development along the west flank of Turner Valley, has been approved for listing on the Toronto Stock Exchange, trading having started June 14.

Brown Oil Corp. was incorporated in January of this year, with an authorized capitalization of 5,000 preferred shares, par value $100, and two million no par value common shares. As of May 29 last, 4,200 preferred, and 1,800,005 common shares were issued.

The company has contracted to have three wells drilled on their properties in legal subdivisions 8, 14 and 15. No. 1 well is at a depth of about 3,600 feet, No. 2 at 3,449 feet, and No. 3 is being spudded in.

Nos. 1 and 2 wells are, in addition to the regular Alberta Government royalties, subject to royalties of 25%, while No. 3 well is subject to royalty of 19½%.

In a balance sheet as at April 30, 1937, the company shows current assets, comprising cash of $276,408, against current liabilities, of accounts payable, of $16,567. The company's equipment includes three modern rotary outfits.

The following comprise directors of the corporation; Robert A. Brown, Calgary, president; Hon. Dr. R. J. Manion, Ottawa; Horace A. Howard, Lloyd H. Fenerty, Calgary; and S. J. Bird, Toronto, directors.

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Bobjo Mines

Please outline for me briefly the possibilities ahead for Bobjo Mines Ltd. as I am a shareholder of this company.

Bobjo's policy is to locate properties which ultimately could be developed into a producing mine, and it maintains prospectors in the field on the lookout for such properties. Last year the company acquired the Cowan property in the Echimamish district, Northern Manitoba, and did considerable exploration work on it. The results of this work are said to have warranted further work when weather permits.

Until some other property can be brought into the dividend-paying class it is unlikely that Bobjo will show any substantial increase in earnings. The company derives a large part of its revenue from its holdings of San Antonio and Noranda. Last year it recorded a loss of $1,298, as compared with a profit of $14,117 in 1935. Bobjo in 1936 acquired interests in two additional producing properties, Leitch Gold and Paymaster Consolidated. Its holdings in San Antonio fell from 76,500 to 12,800 shares during the year. Working capital rose from $69,339 in 1935 to $178,447 by Dec. 31, 1936.

Sladen-Malartic

Might I trouble you for an analysis of Sladen-Malartic Mines, with details of capital set-up, financial condition, properties, etc.?

Sladen-Malartic Mines, adjoining Canadian Malartic Gold Mines in Fourniere twp., Quebec, announces that development on its 200-ft. level has opened an ore body 300 ft. long, averaging $8.25 per ton across 40 ft. width, as indicated by eight right-angled crosscuts put through the ore body at regular intervals. Crosscutting has entered the vein on both the 350- and 500-ft. levels and drifting in ore has begun. Early work at the latter level gives some indication of a new ore body.

Diamond drilling is progressing along the eastern boundary adjoining East Malartic Mines. One boundary hole disclosed a drilling width of 24.4 ft., averaging $14.63 per ton.

The financial position of the company at Dec. 31, 1936, showed current assets at $326,546 and current liabilities at $11,728. Early in March this year the company reported cash on hand of approximately $425,000.

Drilling in 1935 at the Fourniere twp. property indicated the following tonnages and values (gold at $35) to a depth of 200 ft.; 496,000 tons at $4.02; 292,000 tons at $5.32; 180,000 tons at $7.64. A revised estimate of ore reserves has not been issued to date.

Hudson Bay Mining & Smelting

For some time I have been contemplating purchasing some shares of Hudson Bay Mining & Smelting Co. in attempt to recoup some of my losses on the gold market. What would you think of such a move?

Earnings of Hudson Bay Mining and Smelting Co., Limited, have steadily increased for the past six years from a deficit per share of 12 cents in 1932, earnings increased to a profit of 31 cents per share in 1933, 58 cents per share in 1934, $1.17 in 1935 and a net profit of $1.34 per share in 1936. As you probably know, the benefit of higher base metal prices was not in effect for the entire 1936 period and, accordingly, unless some untoward event occurs, it is logical to expect a further increase in earnings during the present year. An increase in copper production now appears likely this year with the drawing of slightly higher grade ore from the underground workings. This fact, coupled with the higher prices now prevailing for copper, augurs well for 1937 earnings.

The company, of course, is in excellent hands and has a strong working capital position, which at the end of 1936 amounted to $6,645,749 as compared with $5,963,889 at the end of 1935. Ore reserves are estimated at over 15 years' operations.

This company is perhaps susceptible to labor trouble to a greater degree than other concerns. However, recent increases in wages will, it is hoped, forestall any enforced shutdown of the properties.

Canada Radium

What has happened to Canada Radium Mines? I was induced to buy some of this stock a year or so ago. Has it any future which would indicate that a little levelling down at present prices would be warranted?

Canada Radium Mines is at the present inactive, though its sponsors are, we understand, busy trying to raise money to resume operations. It is fair to say that the record of the interests sponsoring this property has not been outstanding from the standpoint of mining promotion. The property is a radium-precious metal prospect of 750 acres in Cardiff Township, Haliburton County of eastern Ontario. A shaft has been sunk to 400 ft. on the property with levels at 125, 250 and 375 ft. Finances for the year 1936 were not reported, and on the basis of the above facts we would not regard this issue as a very meritorious one.

Uchi Gold Mines

I recall an article in The Financial Post some time ago on Uchi Gold Mines. Unfortunately I was not at the time interested in the stock, and have mislaid my copy of that issue. Would you be good enough to publish a brief summary of the location, prospects, managements, etc. of this company?

Uchi Gold Mines holds a total of 29 claims in Earngey Township of the Patricia district of Ontario. Under previous operators, a shaft was sunk to 110 feet and a limited amount of drifting done. Combined ore lengths opened up totalled 158 feet with average widths of the shoots varying from four to 11 feet. Values obtained ran from $5.77 to $8.57 per ton in gold. High freight costs and gold at the old rate of $20.87 per ounce were given as reasons for the abandonment of operations at that time.

A programme of diamond drilling carried out in present operations has indicated a mineralized zone 1,800 feet long. Practically all the drill holes put down have shown gold values. The present shaft will be sunk to 500 feet and extensive lateral exploration carried out, according to the plans of the company, and if underground development proves satisfactory a four-compartment production shaft will be sunk. This property is being developed by the Hammell interests, and we would regard it as being under capable and experienced management and good technical direction. It is still in the early stages of development but its prospects can be regarded as interesting.

Springer Sturgeon

Might I trouble you for any information that you might give to me re Springer Sturgeon. Has this organization any connection with Leitch Gold? If so, in what way?

Springer Sturgeon Gold Mines was formed to acquire the Windigokah Lake group of 18 claims in the Sturgeon River area of Ontario discovered by the Karl Springer Exploration Company. The claims are five miles north of the C.N.R. near Jack Pine on the Port Arthur line. Some surface work has been done on the property.

This company has a half interest in a group of 20 claims in the Gordon Lake area, and interests in claim groups in the Yellowknife and Sturgeon River area. It holds 600,000 shares of Amorada Gold Mines Limited.

Springer Sturgeon in February of this year owned 400,000 shares of Leitch Gold Mines, which were taken up under option. In addition to this, Walter E. Segsworth, M.E. is on the board of both Springer Sturgeon and Leitch Gold. This is apparently the connection between the companies to which you refer.

We understand that Springer Sturgeon's financial position is satisfactory and as at February of this year, the company had about $100,000 cash on hand.

In presenting the company's annual report for the year ended Dec. 31, 1936, the president stated that although no importance was found by the company's prospecting parties in Ontario, several groups of well located claims were staked in the Beardmore area and these will be prospected in the present year.

Fondulac Mining Corp. is sending in a diamond drill to its Lake Athabaska property immediately to open up four vein disclosures, one of which, Packsack No. 2 vein, has been established for a length of 400 feet in work continuing through the break - up period.

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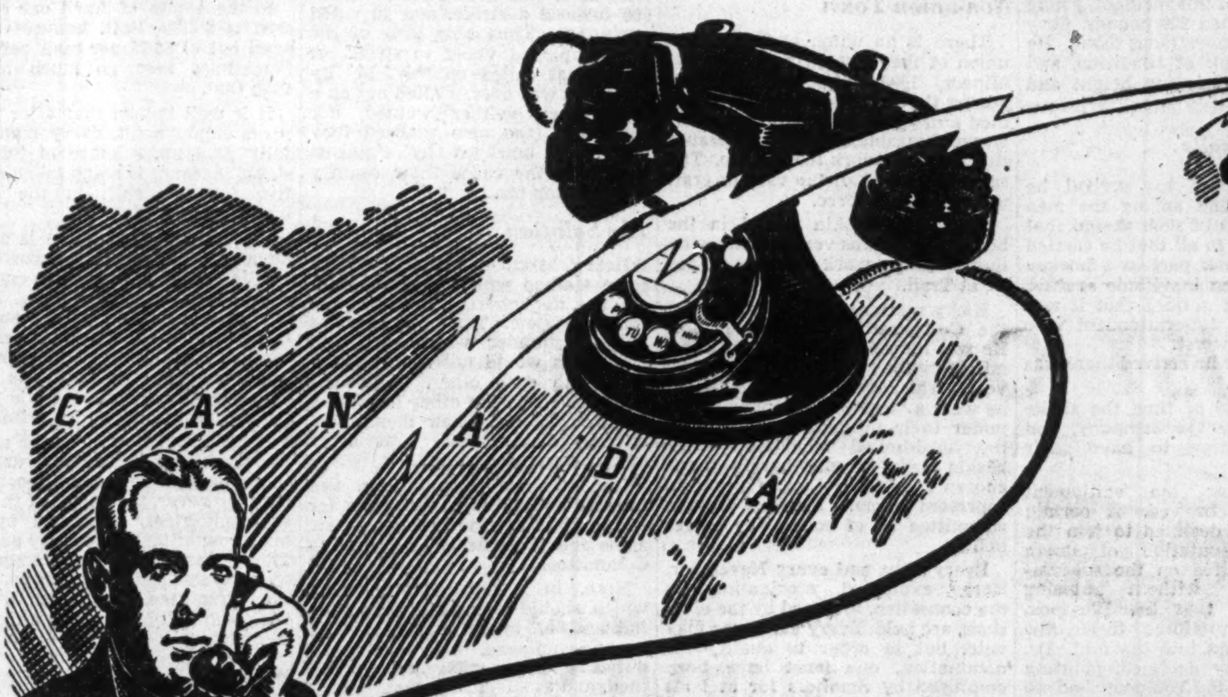

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Canada Boasts Labor Utopia

Trail B. C. Presents Example of Employer-Employee Co-operation That Works—System Replaced Riots and Strikes 20 Years Ago

By **WILFRID SANDERS**
Mining Editor, The Financial Post

NO LABOR TROUBLE HERE FOR 20 YEARS

Unique among large industrial plants on this continent in its labor relationships, the Trail smelter of Consolidated Mining & Smelting Co. today stands out in clear relief against the labor-troubled industries of Canada and United States. In the setting shown above, some 5,000 workers have, for nearly 20 years, worked with the management under Dr. S. G. Blaylock in harmony and a consciousness of mutual objectives. Details of this newsworthy labor system are described in the accompanying article, after the writer had spent two days talking with workers and management.

TRAIL, B.C.—If this city of 11,000 cosmopolitans is not an industrial Utopia, it is probably as close an approximation to one as can be found at the present rather unsatisfactory state of man's affairs.

Here, 5,000 men are working with one company—not, in any sense, for that company. Here, despite the massing of capital and labor, Capital-Labor troubles have been unknown for nearly 20 years.

The story of Trail is significant at the present time when capital the world over is trying to cope with the problem of labor, and labor with the problem of capital.

The story starts back in the time of the bloody labor riots which opened the 20th century for the Coeur d'Alene mining district. Steeped in sabotage, murder, and the lust of riot, many of the workers from that field migrated up into the newly-opened British Columbia fields.

It was then that a young McGill graduate faced the most serious problem, proportionately speaking, of his life.

A Tough Initiation

Connected with a mining company, this 26-year-old mining engineer had been assigned to take charge of a gang of 500 men at Moyie, B.C. This in itself would have been problem enough for one of his years. Add to it, however, the fact that all 500 men were on strike, fostered by the immigrants from the Coeur d'Alene, and the problem grows.

Add, again, the fact that the night before this young engineer arrived at Moyie, the striking workmen had beaten his predecessor to a pulp, because he carried a gun, and you will see that the setting was ticklish enough to try the mettle of any man.

This was Selwyn G. Blaylock's first real introduction to labor, although for the year previous, he had had charge of a small crew under more peaceful circumstances. Today Dr. Blaylock is vice-president and general manager of the gigantic operation known as the Consolidated Mining & Smelting Co. of this city.

When he arrived at Moyie, young Blaylock had no gun. He had no bodyguard, and alone among those 500 men, all of whom were skilled in the art of trouble making, represented "Authority."

He did, however, have a theory.

This theory is hard to set forth in documentary form. Talk to Dr. Blaylock, and you catch it. Try to set it down in black and white, and it is gone. Broadly, however, it has something to do with the fundamental right and desire of every man for security, and a chance to earn his bread by the sweat of his brow. It is a theory no longer, and is today playing a vital part in the lives of everyone at Trail, and at the Kimberly, B.C., mine.

At the time of this incident, young Blaylock weighed 200 pounds, none of which was superfluous tissue. He was in the pink of condition, and knew how to use his height and weight.

Boss in Overalls

On the day of his arrival he wandered around among the men clad in overalls of such design that it was obvious to all that he carried no gun. He took part in a hockey game, and when inevitable scuffles came, the men noticed that it was not their new superintendent who had fared the worst.

From the day he arrived there was no rough stuff.

In the course of time the strike was settled by the company, and the men allowed to have their union.

Shortly after the settlement trouble again brewed. A certain group of men declined to join the union. A deputation of union executives waited on the superintendent and, without mincing words, stated that he, Blaylock, would have to force these few reluctant miners into the fold. Dr. Blaylock firmly declined, pointing out that since the company had no intention of forcing its workers to avoid the union it was certainly not going to force them into it.

The following day a much worried foreman waited on the superintendent.

"You'll have to ask those men to join up," said the foreman. "The union has planned to boycott them, and won't work with them. Nobody will work with them. There'll be trouble when the shift starts."

"Go back and let it be known that starting from today I'll say who is to team up with whom," replied Blaylock. When the crews were announced that morning there were the superintendent's orders; the president of the union was to work with one dissenter, the vice-president with another, the secretary with another, down the line, until both executive and dissenters were accounted for.

When these orders were made known, one of the men started to laugh. The humor caught on, and in a few minutes, president and executives were the butt of good-natured raillery, which rapidly dissipated any sinister atmosphere of trouble. Shouldering their tools, the men moved off to their work.

Labor Handles Itself

Today Mr. Blaylock, whose co-operative system at Trail has attracted world-wide attention, but all too little emulation, would be the first to deny that he "handles" labor. Labor, he believes (and has pretty fairly demonstrated), handles itself, if given the least opportunity.

Today, in a labor-conscious world, the manner in which labor is handling itself at Trail, wherein is amassed the greatest concentration of labor in this province, and one of the greatest in Canada, is thrown out in sharp relief.

The Trail co-operative system has been "written up" before. After reading one of these articles a Toronto man remarked to the writer, "Sure, that's written from the company's point of view. What I'd like to do is to go out there to Trail, talk to the men when the boss isn't there, get their slant."

That is exactly what I have been doing for the past few days.

The impressions thus received are utterly amazing to anyone with the slightest cynicism about "labor schemes," and make such phrases as "the right of labor to use mass bargaining power," "class struggle," "union recognition," etc., meaningless.

If you find this hard to credit, take a trip out here and talk to Harry Hankin, who works in the boiler shop, or to Tim Buskin, in the smelter, or any one of the 5,000 workmen you care to name.

How to Fight the Reds

A few weeks ago there arrived in town an organizer for one of the Communist unions. He was introduced in the post office to one of the workmen, secretary of the co-operative committee.

"I'd like to hold a little meeting, and talk to the boys," said the organizer. "How does one go about it?"

"That's easy to fix," replied the workman. "All you do is come to the committee, and explain what you want. If it's O.K. with them, we'll let you have the hall."

"What is this committee?" asked the agitator, "How big is it and who all is on it?"

"Just 32 of the fellows and the side-kick," was the reply.

"What do you mean, 'side-kick'?"

"I mean S. G., the G. M."

The agitator looked more baffled than ever, so the workman elucidated.

"I mean S. G. Blaylock, the general manager. He's on the committee too."

The agitator did not seek to hold the meeting, and did not appear before the committee.

He left town shortly afterward, slightly baffled by a community in which the general manager, tool of the bourgeoisie and whatnot, was referred to by the proletariat as the "side-kick."

Trail has been proof against all professional agitators for 19 years for the simple and sole reason that you cannot attack something that is entirely and completely absent. Even the mad brain of Don Quixote needed the semblance of giants before that doughty knight could level his lance. Had there been no windmills, he would not have charged to his immortal confusion.

Non-union Town

There is no union at Trail. The union of the Western Federation of Miners, 100% effective at Trail during the first year of the war has died a natural death, not because it was undesirable, but simply because there was no work for it to do. The same is true of all the various craft unions then in force.

As Harry Hankin talked in the boiler shop it was very obvious why there was no work for unions, per se, at Trail.

Harry was one of the founders of the Co-operative Committee idea. He was himself elected to the committee by the men for 15 consecutive years. This, of course, means that if he were a "tool" of the company, or under their influence in any way, the hard-boiled men who work beside him would hardly have chosen him for so many years to represent them. Election to the committee is, of course, by secret ballot.

Every May, and every November, Harry explained, nominations to the committee, followed by the elections, are held. Every employee may vote, but in order to qualify for nomination, one must have been employed by Smelters for at least three years.

"That, of course," said Harry, "prevents making the mistake of electing men before they have had a chance to catch onto the idea of this thing."

In furtherance of this aim, one half of the committee retires each year, but are eligible for re-election. Thus there is never a brand new committee.

Nomination and election days are among the most important days in the men's lives, Harry explained. The contest is a real one, and to say the election is taken seriously by the workmen, is a weak way of putting it.

Handling Complaints

Every department of this very complex plant is represented on this committee. It meets partly on company time, and partly on the men's time.

"If one of the fellows has a kick coming," says Harry, "he might think twice about going to the foreman. Maybe the foreman is the source of the trouble. But this fellow wouldn't hesitate to go to his representative, who might be working on the machine right alongside, and tell his troubles. If the representative thinks the trouble worthwhile he brings it before the committee. Most of the time the trouble is the lad's own fault, and the committee instructs the representative to tell him so point blank. Nine times out of ten that ends it.

"Supposing it doesn't though, and the fellow still thinks he has ground for complaint. What does he do? He applies for an open transfer, and is given it. This means that he gets another chance under another foreman. This works both ways. A foreman can ask for an open transfer for one of the men. The man is given another chance in another department. If he gets three open transfers within two years, in other words if, within that period, three different bosses say they can't do anything with him, he is fired. In this way, an absolute punk is given three chances and then sacked, but a good workman is not fired because the foreman's wife doesn't like his wife, or some other triviality. We men want security, just as much as the next man. This way, we've got it."

History of Co-operation

Before going any further with Harry, and in order to fully understand the spirit of the system which now runs Trail, it is necessary very briefly, to see how the system grew.

In 1915 and 1916, the 1,600 men working at Trail were 100% organized, 95% of them belonging to the union of the Western Federation of Miners. The company recognized the authority of this union to make contracts on behalf of the men. Relationships were cordial.

In 1916, however, trouble first loomed. A group of anti-ally employees got control of the union offices. Unreasonable demands were made, and were met by the company, because of the necessity of continuing to turn out metals for munitions. These demands became more unreasonable, and were climaxed in November, 1917, when a new union appeared on the scene, calling itself the Trades and Labor Council. Its officials were the same as those who had gained control of the Western Federation, yet the new union refused to report to, or work with, this established union. Finally it made demands in direct violation of the agreement signed with Western Federation.

The Trades and Labor Council then called a strike vote. Of the 1,600 men, only 380 voted, of which 300 favored a strike, and 80 voted against it. Thus only 20% of the men employed voted to strike. A strike was called on Nov. 15. By Dec. 20 it was over. Called out on a strike they neither wanted, nor could win, the men realized they had been betrayed by elements hostile to the cause their country was fighting for.

The Solution

Here was an opportunity to find some method which would eliminate the ills inherent in the union control system. The objective was a system under which men and employers would not meet to bargain with each other, their aims opposed one to the other in a show of strength. The men themselves, bitterly disillusioned with other methods were consulted.

Out of these consultations, and fostered by Dr. Blaylock's genius for winning the confidence of the men, arose the Workmen's Co-operative Committee.

Here, in a nutshell, in words which should be pasted inside the hatband of every employer, and every employee, are the broad duties of the committee, as designed then, and as still in complete affect:

"That the duties of the Workmen's Co-operative Committee are to help the management run the plants of the Company fairly and safely. Also, they are at all times to strive to interpret correctly the ideas of the management to the men, and those of the men to the management."

Nothing in there about mass bargaining power, class warfare or any of slogans which build up into big issues in the course of so-called labor trouble.

Idealistic! It has worked for nearly 20 years, and is still working.

Recently a Welsh employer, hearing of the Trail system, wrote Dr. Blaylock. "Your system sounds fine, but it wouldn't work in my plant. You haven't got to work with the blankety blanks I have to work with."

Replied Dr. Blaylock, in effect: "Among our men here are many of your own countrymen in addition to men from Sweden, Scotland, England, Ireland, Latvia and points east."

Bonus System

There is no speed-up system at Trail. Among the bonuses in effect, however, is a bonus for every cent below a certain minimum by which costs are reduced. This bonus is 50% of the total reduction in costs. Thus if a workman thinks that by doing something a certain way, production can be increased, or costs reduced, which is, of course, the same thing in different words, and his idea proves sound, he is paid 50% of the saving.

Another bonus, and one which has cost the company a considerable sum, willingly paid, is based on the price of metals. For instance, the men are paid one cent a day extra for every day in which silver is above 35 cents an ounce. Silver has not been that cheap for many many years. Similarly do the men share the company's ups and downs with lead and zinc prices.

In the month of April one of the men told The Post, bonuses averaged out to $2.35 per man per day. Sometimes they go much higher than that.

It is well known that after three years employment, every man gets fully paid up, a share of Smelter stock. Account is being taken of the five for one split in the stock instituted last year.

In continual circulation is a sum amounting to some three quarters of a million dollars, loaned to employees at 5% for building homes. If the employee cannot repay the amount in the stated time he is given extensions. In this way, the company has loaned nearly $3 millions to its employees, and Trail with its 11,000 population, is a city of no slums.

It is difficult to tell in one article the whole story of the work done by the co-operative committee. Perhaps, however, the names of the five sub-committees, appointed by the main committee will convey an idea. There is an employment committee, welfare and relief committee, election committee, a representative on the community chest, and a medical committee.

Production Costs Cut

"All this," The Post said to Dr. Blaylock, after some hours chatting with the men, "must be difficult to get across to the shareholders. Have they ever objected to the outlay involved in the bonus system, and pension scheme for instance?"

Dr. Blaylock reached into his drawer and pulled out a graph, covering cost of operations for a period of years back. The actual figures don't matter, but the significant thing was that the line showed a steady decline in costs per ton of metal produced.

"That," said the general manager, "is my answer to shareholders—reduced costs all along the line. Naturally costs will increase to some extent during the present period."

In conclusion, let's hear the summing up from representatives of the two bodies most vitally concerned in the Trail system; the employer and the employee.

The case for the employer, as put by Dr. Blaylock, general manager: "In the 19 years since the inauguration of these committees, a realization of mutual interests and spirit of co-operation, loyalty and friendliness has grown up to an extent never thought possible in 1918. The work of the Trail and Kimberly committees has from the start, proved that workmen, when entrusted with responsibility are fully as trustworthy as any other class of society."

The case for the employees, as cited by Harry Hankin: "The success of the whole idea is due to the management, the committee, and the men, playing the game 100% at all times. If we ask for something that cannot be granted our general manager will tell us why. If it is a case of the cost of operations, or otherwise, he not only tells us, but shows us by the illustrated charts covering these matters that are held in his own office."

What could better typify than this last the whole spirit behind the Trail development, a development which may very well prove to be the solution of many of Capital-Labor troubles today. Whether or not the time is ripe to introduce it in the mining camps, and industrial plants of the East is questionable.

The time, however, will come when its introduction will be opportune, whether it be now or later.

TOUGH ON AGITATORS

The smelter worker shown above is a tough proposition for the paid agitator and trouble maker, not because he means to be tough, but simply because he, and his 5,000 colleagues, have implicit confidence in the system under which they pool their troubles with those of the management, and work out common solutions.

Efficiency Regarded As Industry's Savior

From Our Own Correspondent

MONTREAL.—Declaring the textile industry is the most fiercely competitive industry in the world, A. V. Young of Hamilton, Ont., president of the Cotton Institute of Canada, in his address to the annual meeting of the Institute here, stated that the efficiency in the cotton mills in Canada is one factor, more than any other, that has preserved the industry from obliteration by competition from other countries.

Only efficiency in using machinery, efficiency of Canadian workers, and efficiency and minimum cost in distribution, will in the future preserve the production of cotton as one of the chief industries of Canada, Mr. Young stated.

Discussing the findings of the conference held in Washington under the auspices of the International Labor Office of the League of Nations, Mr. Young pointed out that as regards wages expressed in a uniform standard there are enormous differences between countries. Wages are lowest in the Far East, China, Japan and India; higher in countries of central and eastern Europe; next highest in Sweden, Germany and Great Britain; and highest of all in the United States and Canada.

The difference between labor rates in a "high wage" country like Canada and a "medium wage" country like Great Britain is 60% in the cotton industry, while Canada appears to be the only country where wages paid women textile workers are above the average wages paid women workers in other industries.

Employment Is Stable

The Canadian cotton industry employs over 18,000 people in 42 mills, with an annual payroll of over $12 millions, Mr. Young stated. Furthermore, employment is relatively stable. From 1930 to 1933 employment in the cotton industry in Canada declined by 11.2%, compared with a decrease in general employment of 26.4%. As a result the rate of increase from the depression low has not been as rapid as for industry as a whole, which now employs 106% of the 1926 average, whereas cotton manufacturing stands at 103%.

Referring to the extent of competition from other countries, Mr. Young stated that total imports of manufactured cottons into Canada in 1936 were 29 million pounds. If this weight of goods, which Canadians purchased abroad, had been made by Canadian workmen, about 5,000 people would have been directly employed in its production.

Great Britain is by far the largest exporter of cotton goods to Canada. In this regard he pointed out that the mother country has staged a comeback in the Canadian market since the Ottawa Agreements of 1932. In 1932 Great Britain sold Canada 27 million yards of cotton cloth. In 1936 she sold Canada 74 million yards, an increase of over 2½ times in four years and the accelerated trend has continued into the current year. The 1936 imports in fact, were 10 million yards greater than in any other year since the Great War.

The fact that Great Britain has been able to build up such an extensive market in Canada so rapidly indicated, according to Mr. Young, that she has not found Canadian tariffs excessive. Canada, he stated, is a "low tariff" country when compared to any of the other important cotton manufacturing countries of the world. There are few, if any, of these countries which on the whole have cotton duties lower than those now in effect in Canada, and in many of them they are higher.

Engineers Mark Semi-Centennial

Institute Celebrates Its Anniversary in Montreal

Engineers associated with large Canadian industrial enterprises will be honored at the semi-centennial convention of the Engineering Institute of Canada, in Montreal, June 15-17. Preparations have been made to celebrate impressively the 50th anniversary of the incorporation of the Institute (as the Canadian Society of Civil Engineers) in June, 1887.

The chief award in recognition of professional distinction, the Sir John Kennedy Medal, will be presented to John G. Sullivan, past president of the Institute and one time (1915-18) chief engineer and consultant (1918-28) of the Canadian Pacific Railway. Other awards include those to David Boyd, welding engineer of the Canadian Car and Foundry Co., Montreal; C. R. Wittemore, metallurgist, Dominion Bridge Co., Montreal; E. C. Hay, Canadian Westinghouse Co., Toronto; Eric G. Adams, New York; and Louis Trudel, of the Quebec Electricity Commission, Montreal.

Sir Alexander Gibb, president of the Institution of Civil Engineers (British) and author of the 1931-32 report which led to the creation of Canada's National Harbours Board, will be among the delegates from engineering bodies of Great Britain and the Dominions, the United States and other countries, who will take part in the Montreal celebrations. Representatives of Canadian universities and scientific societies will also attend.

A special edition of the Engineering Journal, reviewing Canadian progress in various fields during the past 50 years, will be issued in connection with the observance.

Items of particular interest to industry and business included a paper on industrial zoning delivered by Hugh Beaver, a partner in Sir Alexander Gibb's London firm, and a symposium on "Burning of Canadian Coals" in which leading Institute members and visitors participated. J. H. Parkin, of the National Research Council, gave an exhaustive analysis of factors affecting the transatlantic air service between Canada and England, a summary of which was published in The Financial Post some weeks ago.

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